

PEOPLE
Looks to Baton

The Global Newspaper
Edited in Paris
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseilles

WEATHER DATA APPEAR ON PAGE 14

No. 31,701

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

ZURICH, TUESDAY, JANUARY 22, 1985

ESTABLISHED 1887

Kremlin Doubtful On Talks

Says U.S. Team Is Hawkish on Space Defense

By Serge Schmemann
New York Times Service

MOSCOW — The Soviet press has described the disarmament negotiators appointed by President Ronald Reagan as hard-liners on Soviet-American relations who would treat the new negotiations "skeptically."

Initial commentaries carried

The new U.S. arms negotiator, Max M. Kampelman, is a skeptical optimist. Page 2.

Sunday by Tass, the official press agency, referred to an article whose co-author was Max M. Kampelman, the new chief American negotiator. The article will appear in The New York Times Magazine next Sunday.

The article, Tass said, "expressed serious doubt about the possibility of much progress at the talks on arms control in the near future."

"Kampelman is a staunch supporter of the president's known initiative in the field of strategic defense," it said.

That initiative, known by the administration as the Strategic Defense Initiative, is a research plan on space-related defenses against missiles. Stopping it has been Moscow's major interest in the new negotiations, announced earlier this month by Secretary of State George P. Shultz and Foreign Minister Andrei A. Gromyko.

A week ago, Mr. Gromyko said in a television interview that Moscow would reject any U.S. effort to separate talks on space weapons from talks on nuclear missiles, the element of the new negotiations that is of greater interest to Washington. All Soviet commentators since then have centered on the Soviet view that space weapons are a central component of the talks.

Tass said that Mr. Kampelman, in his magazine article, "is expressing the views opposed by the Soviet Union, which believes that Mr. Reagan's initiative to create a large-scale system with outer-space-based elements will be the cause of further instability."

Tass described another member of the U.S. negotiating team, former Senator John G. Tower, as a conservative who "strongly advocates a buildup of U.S. military might."

INSIDE

Jovito Salonga, a Philippines opposition leader, returned to his country vowing to unify the anti-Marcos forces. Page 2.

Foreigners selling property in the United States face a new withholding tax. Page 3.

The Kremlin expects a limited agreement to be reached at the European security talks in Stockholm. Page 5.

40,000 Vietnamese refugees are trapped in Asian camps with no relief in sight. Page 6.

BUSINESS/FINANCE
Continental Illinois Corp. reports a 1984 net loss of \$1.09 billion. Page 9.

SPORTS
The San Francisco quarterback, Joe Montana, was voted the most valuable player of Super Bowl XIX. Page 15.

TOMORROW

Labor unions have lost much of the vigor that only a decade ago made them a dominant element in many Western European countries.

Kyprianou Wants U.S. to Help Revive Cyprus Talks

By Andriana Ierodiakonou
International Herald Tribune

UNITED NATIONS, New York — President Spyros Kyprianou of Cyprus said Monday that he has asked to meet with President Ronald Reagan in the hope that U.S. intervention could help persuade Turkish Cypriots to resume reunification talks next month following the breakdown of negotiations here.

Mr. Kyprianou's discussions with Rauf Denktash, the Turkish Cypriot leader, ended Sunday without agreement on unification of the divided island or on a date for new talks.

"We are counting on United Nations Secretary-General Javier Ky-

riano's contact and those of interested governments to bring about a new meeting with Mr. Denktash," the Cypriot president said.

Mr. Pérez de Cuellar said that he would try to arrange new talks "if possible" by the end of February.

Mr. Kyprianou said that he has requested a meeting with President Reagan before that date.

Mr. Reagan helped arrange last week's meeting when he urged Turkey in November to advise Mr. Denktash to make territorial and constitutional concessions toward a bizonal federal solution for the divided island or on a date for new talks.

Before the procedural dispute emerged, important differences became apparent on the withdrawal of Turkish troops that have held a

third of the island since 1974 and the Turkish Cypriot insistence that Turkey be the guarantor of a future federal state. The Greek Cypriots reject Turkey as a guarantor, giving the 1974 invasion as a reason.

Mr. Kyprianou said that he had set no conditions for agreeing to meet Mr. Denktash again. He added that "given the experience of the past few days, the prospects for success would be better if we met with an agreed list of items for discussion."

Mr. Denktash on Sunday rejected the February meeting suggested by Mr. Pérez de Cuellar. "I am not against meeting Mr. Kyprianou under all circumstances, but I

(Continued on Page 2, Col. 4)

British also assisted in arranging the New York talks, and Mr. Ky-

riano hopes that it will again use its influence in efforts to resume the dialogue.

The negotiations, under the auspices of Mr. Pérez de Cuellar, were the first direct contact between the Greek and Turkish sides since 1979 and had opened amid optimism that an agreement could be reached.

But discussions made no progress after initial presentations of the Greek and Turkish positions and finally deadlocked on arguments over the purpose of the meeting.

Before the procedural dispute

emerged, important differences became apparent on the withdrawal of Turkish troops that have held a

Reagan Presses Plan For Space Defenses In Inaugural Address

By Fred Farris
International Herald Tribune

WASHINGTON — President Ronald Reagan declared in his inaugural address Monday that his research program to build a shield in space against nuclear missile attack "would not militarize space, but help demilitarize the arsenals of Earth."

With the coldest Inauguration Day on record forcing Monday's ceremonies indoors and the traditional parade to be canceled, Mr. Reagan told about 1,000 invited guests and members of Congress under the great rotunda of the Capitol dome. "Our nation is poised for greatness."

"We are creating a new America, a rising nation once again vibrant, robust, and alive," he said.

He said that his agenda for the next four years includes a freeze on federal spending next year, simplifying the tax system and eliminating economic barriers to equal opportunity.

On the matter of arms negotiations, the president said, "For the sake of each child in every corner of the globe, we seek, one day, the total elimination of nuclear weapons from the face of the Earth."

He said the Soviet Union "has conducted the greatest military buildup in the history of man," and the United States, in response, has "made progress in restoring our defense capability."

But he said, he would seek in his second term to make huge defense efforts less necessary and is pursuing this goal in negotiations with the Soviet Union.

"We are not just discussing limits on any further increase of nuclear weapons," Mr. Reagan said. "We seek, instead, to reduce them."

"Is there any logic or morality in believing that, if one side threatens to kill tens of millions of our people, our only recourse is to threaten tens of millions of theirs?" the president asked.

In a reference to his proposed Strategic Defense Initiative, the president said his administration seeks "a fair better way."

"I have approved a research program to see if a security shield can be developed that will destroy nuclear missiles before they reach their target. Such a shield would not kill people, but destroy weapons; it would not militarize space, but help demilitarize the arsenals of Earth," he said.

"Such a shield could render nuclear weapons obsolete. So, we will meet with the Soviets hoping that we can agree on a formula for reducing the world of the threat of nuclear destruction."

Foreign Minister Andrei A. Gromyko of the Soviet Union, after meeting in Geneva early this month with Secretary of State George P. Shultz, called the U.S. space-defense research "a plan of aggression" and declared that Moscow was "resolutely against it."

Mr. Reagan's references Monday to the Soviet Union were mild in contrast to those he made his

first term, among which he called the Soviet Union "the evil empire."

On Monday he said of the Soviet Union, "There are those who score our vision of human dignity and freedom."

The president noted that, since the beginning of the century, "the number of democracies in the world has grown fourfold. Today, human freedom is on the march and no more so than in our own hemisphere."

Freedom, he added, is "the world's only hope to conquer poverty and preserve peace."

Monday's inaugural address dealt mainly with domestic problems, and contained few concrete proposals. The specifics of his legislative program are expected in Mr. Reagan's State of the Union message to Congress on Feb. 6.

The president said he would send Congress next month a budget

(Continued on Page 2, Col. 5)

Reagan to Reduce Funds For Biomedical Research

By Robert Pear
New York Times Service

WASHINGTON — As part of the president's effort to reduce the deficit, Reagan administration officials have decided to reduce U.S. support for biomedical research this year below the levels intended by Congress, officials said.

They said that they had found a legal way to limit research spending to the amount proposed by President Ronald Reagan last January, rather than the larger amount approved by Congress. The move, they said, apparently does not require approval by Congress, although legislators could write a new, more explicit law.

The officials said the administration would reduce the number of competitive grants awarded this year by the National Institutes of Health by 23 percent, from 5,000 to 6,500. The grants provide an average of \$140,000 to \$150,000 a year.

Some researchers, told four weeks ago that they would probably receive U.S. funds, have been advised that such awards were unlikely or uncertain. The cutbacks would affect the full range of research supported by the health institutes, including the studies of cancer, heart disease, arthritis, immunology, cell biology, molecular genetics, neurological disorders and stroke.

Dr. John F. Sherman, vice president of the Association of American Medical Colleges, said the cutbacks occurred at a time when "the promise of biomedical sciences has never been greater, both for the health of our country and the vigor of our economy."

Dr. David H. Cohen, chairman of the department of neurobiology at the State University of New York at Stony Brook, said the cutbacks would have "an acute destabi-

lizing effect" on biomedical research and would "violate the intent of Congress."

Dr. Thomas J. Kennedy Jr., a former official at the National Institutes of Health who now works at the Association of American Medical Colleges, said, "The Office of Management and Budget has outsmarted the Congress."

Dr. Sherman said the tactic was "ingenious" and "appears to be invulnerable to legal challenge," although researchers are looking for ways to challenge it.

The administration plans to take money intended for 6,500 one-year grants and use some of it for three-year grants. As a result, the money would cover only 5,000 awards. All the money would be "obligated" in the current fiscal year, so, according to administration officials, the president could not be accused of illegally imposing money appropriated by Congress.

An obligation is a binding commitment to spend the money at some later time.

In 1974, after several fights with President Richard M. Nixon, Congress passed the Congressional Budget and Impoundment Control Act. This law restricts the president's ability to delay or cancel the spending of money appropriated by Congress. To cut spending, the president may ask Congress to rescind, or cancel, part of a previous appropriation, but the money must be obligated unless Congress votes to approve the request.

Administration officials estimated that the cuts would save \$280 million in the current fiscal year and at least that amount in each of the next two years. Congress has appropriated \$5.1 billion for the National Institutes of Health in the current fiscal year.

Reform of Tax System

Bernard Weisraub of The New York Times reported from Washington:

James A. Baker 3d, the White House chief of staff who is scheduled to take over the Treasury Department, said Sunday that he expected President Reagan to "embrace" the Treasury's plan to overhaul the tax system after some revisions in the measure.

At the same time, Mr. Baker and Treasury Secretary Donald T. Regan said that a reduction of the U.S. budget deficit and a restructuring of the nation's tax system were the central domestic priorities of the second Reagan administration.

Mr. Baker and Mr. Regan, who will swap jobs in the next few weeks, made their comments in a television interview show.

Mr. Regan said that the way to reduce the budget deficit was to "cut federal spending — period." Nothing else, he said, not even a tax increase. The administration has projected next year's deficit at \$230 billion.

Mr. Regan made it clear that he would fight any congressional effort to reduce next year's Defense Department budget beyond the nearly \$39 billion in cuts approved by President Reagan because "that's what the president wants me to do."

Cutbacks, he indicated, will be proposed in Medicare, veterans benefits, state revenue sharing and farm programs. These reductions, coupled with the Defense Department cut proposed by the administration, would result in a \$50-billion budget cut for fiscal 1986, which starts next Oct. 1.

Mr. Baker's comments Sunday were the first public acknowledgment that the president was far more enthusiastic about the Treasury's plan than he initially indicated.



President Ronald Reagan delivering his inaugural address at the Capitol Rotunda in Washington.

America's Mood Is Bright for 2d Term

By Howell Raines
New York Times Service

WASHINGTON — The satisfaction of Americans with their country's condition and their optimism about its future have climbed to the highest levels in several years as President Ronald Reagan begins his second term.

These attitudes are closely tied to Mr. Reagan's popularity and to the public's strong overall approval of his performance as president, according to a New York Times-CBS News Poll.

Even among groups that have given

Reagan limited support, such as blacks and the poor, there is a widespread feeling that the future will be better than the present.

the rebounding economy and the fact that the United States is at peace.

But they and other polling experts also said the president's political standing was closely intertwined with general trends toward optimism, increased trust in government and growing national pride.

"Americans are very optimistic about the direction the country is going," Mr. Wirthlin said, adding that people who think the country

wounded in an assassination attempt March 30, 1981. The poll has a margin of sampling error of plus or minus 3 percentage points.

Richard B. Wirthlin and Robert M. Testor, the poll takers for the president's re-election campaign, said Mr. Reagan's popularity was due to his performance in office,

Increased optimism was apparent in the responses to questions about the prospects for economic prosperity and for the control of

income taxes to any real extent," as he promised in 1980, only 28 percent said yes, while 60 percent said no. In fact, Mr. Reagan secured congressional approval for deep income tax cuts in 1981, 1982 and 1983.

In the 1984 campaign, Mr. Reagan promised that his second term would allow only "over my dead body."

But the poll found that 75 percent of those surveyed expect Mr. Reagan to ask Congress to raise taxes in the next four years.

The poll's major findings on public optimism came in a set of questions in which people were asked to rate past, present and future conditions on a scale of 1 to 10, 1 being the worst and 10 the best.

The results showed that 62 percent of respondents agreed with Mr. Reagan's handling of his job, while 29 percent disapproved. After four years in office and despite a re-election campaign in which his policies were harshly criticized, the president was very close to the 67-percent approval rating he attained in the period of heightened public support after he was seriously wounded.

Mr. Wirthlin said that the president's popularity was due to his performance in office,

which included a 4 percent increase in the gross national product and a 3.5 percent decrease in the unemployment rate.

Mr. Wirthlin said that the president's popularity was due to his performance in office,

which included a 4 percent increase in the gross national product and a 3.5 percent decrease in the unemployment rate.

Mr. Wirthlin said that the president's popularity was due to his performance in office,

which included a 4 percent increase in the gross national product and a 3.5 percent decrease in the unemployment rate.

Mr. Wirthlin said that the president's popularity was due to his performance in office,

which included a 4 percent increase in the gross national product and a 3.5 percent decrease in the unemployment rate.</p

An Anti-Marcos Leader Returns to Philippines To Organize Opposition

By Steve Lohr
New York Times Service

MANILA — Jovito Salonga, an opposition leader, returned Monday to the Philippines after nearly four years of self-exile in the United States. He vowed to work to unify and strengthen the political rivals of President Ferdinand E. Marcos.

Cheered by supporters at Manila Airport, Mr. Salonga said, "I will pitch in, do whatever I can to achieve that cherished goal which the whole nation has been yearning to see — a united, independent, vigorous opposition."

Mr. Salonga is the first major opposition figure to return to the Philippines since Benigno S. Aquino Jr. came back Aug. 21, 1983, and was assassinated on the airport tarmac. A citizen's panel concluded in October that Mr. Aquino was killed in a military conspiracy involving senior officers.

Mr. Salonga's arrival was without incident, although he was jostled at the airport by well-wishers and journalists.

The biggest problem was to make sure he wasn't trampled by the press," said Alejandro Roces, a former cabinet secretary and Salonga supporter.

Later, about 400 demonstrators marched toward the presidential palace, protesting alleged human rights abuses by the military. They were blocked by riot police and dispersed peacefully.

Mr. Salonga, 64, left the Philippines in 1981 to seek medical treatment for injuries he had suffered in a political bombing a decade earlier. However, the opposition leader himself had been charged by the government with subversion for allegedly organizing a series of bombings in 1979 and 1980.

The long-standing case against Mr. Salonga was dropped last week, after Mr. Marcos ordered a review. The opposition leader, who had consistently maintained his innocence, said he felt vindicated by the government decision. He called the ruling "the most authentic admission that we were unjustly smeared and persecuted for four long years."

Mr. Salonga was praised Monday by opposition politicians as an elder statesman who might be able to tighten the ranks of the fragmented opposition. The former senator was one of the most outspoken critics of the Marcos government during the martial law years from 1972 to 1981, when dissent was severely curbed.

"Salonga has the prestige, talent and credibility to command the following of many people in trying to unify the opposition," said Diocasio Macapagal, a former president of the Philippines.

Agapito Aquino, brother of the slain opposition leader, hailed Mr. Salonga's return as a "boon for the opposition." Like several others, he said Mr. Salonga would be among the opposition figures most qualified to run for the presidency in the next election, which is scheduled for 1987.

Mr. Salonga did not indicate

whether he was planning a presidential candidacy or just how he might work to bring together the opposition, explaining that he needed some time to "get the feel of things here again."

In Washington last week, Mr. Salonga told a gathering of University of the Philippines alumni that he did not consider himself to be "in the same class" with Benigno Aquino, who, he added, "was a much more profound threat to the Marcos regime."

That assessment is shared by politicians and foreign diplomats. Mr. Marcos's accommodating attitude is partly explained by the fact that Mr. Salonga is not widely viewed as a potential president. But given his standing within the opposition, he may well play a key mediating role, forming coalitions among the various factions.

In general, Mr. Salonga is a left-leaning nationalist. He has called for the removal of two large U.S. military bases in the Philippines, a review of the role of multinational corporations in the country and a renegotiation of the nation's \$25.6 billion in foreign debts.

General Hurt in Ambush

Unidentified gunmen ambushed and wounded Brigadier General Pedro de Guzman and five of his escorts Sunday night near a regional military headquarters on Mindanao Island, the military said Monday.

The Associated Press reported that the Philippine Constabulary headquarters said General de Guzman, 69, was hit in the legs and an arm. A Philippine News Agency dispatch from Cagayan de Oro said he was out of danger after surgery.

General de Guzman was the highest military officer to be ambushed since Moslem separatists killed Brigadier General Teodulfo Natividad and 34 other officers and men on Jolo Island in October 1977. Sunday's attackers were believed to be Communist guerrillas.

Opposition Paper Revived

An opposition newspaper that was shut down by the army two years ago returned to the newsstands Monday with an editorial referring to the country's "ruthless and power-crazed dictatorship," according to The Associated Press.

The Supreme Court ruled last month that the closure of the English-language tabloid, *We Forum*, was illegal and ordered the military to return the newspaper's property.

But the editor-publisher, José Burgos Jr., said the paper's press had not yet been returned and its offices were boarded up, so he is publishing the eight-page daily paper on a commercial press.

Mr. Burgos and nine members of his staff were jailed for eight days after a paper was closed. Their trial on subversion charges continues.

The editor has said he believes Mr. Marcos ordered *We Forum* shut down because of articles questioning the president's war medals. Mr. Marcos, a guerrilla fighter against the Japanese, was the most decorated Filipino soldier in World War II.

Mr. Salonga did not indicate

realities. Mr. Ukeiwe said, was a peaceful demonstration Saturday in the streets of Nouméa by more than 30,000 people, about one-fifth of the population, "to proclaim their attachment to France."

Scattered acts of violence continued. The authorities reported Monday that vandals had burned seven trucks and caused other damage Sunday night at a nickel-mining complex near the eastern coastal village of Thio.

While both supporters and opponents of independence agreed that Mr. Mitterrand's trip was connected mainly with his domestic political problems and contributed to important new elements to the search for a solution in New Caledonia, the visit seemed to trigger a fresh round of travels by rival leaders and politicians.

The head of the Kanak Socialist National Liberation Front, Jean-Marie Tjibaou, conferred Monday in Canberra with Prime Minister Bob Hawke and Foreign Minister Bill Hayden of Australia during a stopover on his way to France to promote the independence cause.

Mr. Ukeiwe announced he would leave Tuesday for France, with two ministers of his territorial government, to argue against independence.

Opposition Opposes Plan

Valéry Giscard d'Estaing, the former French president, said Monday that he opposed independence for New Caledonia, Reuters reported from Paris.

"I shall support the French solution" for New Caledonia, he said.



Associated Press International
Prime Minister Bob Hawke of Australia, left, with Jean-Marie Tjibaou, leader of the Kanak independence movement in New Caledonia, at their meeting on Monday.

Government in Nouméa Assails Mitterrand Visit

Washington Post Service

NOUMÉA, New Caledonia — The local government of this French overseas territory harshly denounced on Monday the 12-hour visit of President François Mitterrand as an attempt to "abuse public opinion" on the issue of independence for the islands.

Independence-seeking Kanaks gave the trip Saturday their lukewarm approval.

Opposition Paper Revived

An opposition newspaper that was shut down by the army two years ago returned to the newsstands Monday with an editorial referring to the country's "ruthless and power-crazed dictatorship," according to The Associated Press.

The Supreme Court ruled last month that the closure of the English-language tabloid, *We Forum*, was illegal and ordered the military to return the newspaper's property.

But the editor-publisher, José Burgos Jr., said the paper's press had not yet been returned and its offices were boarded up, so he is publishing the eight-page daily paper on a commercial press.

Mr. Burgos and nine members of his staff were jailed for eight days after a paper was closed. Their trial on subversion charges continues.

Opposition Opposes Plan

Valéry Giscard d'Estaing, the former French president, said Monday that he opposed independence for New Caledonia, Reuters reported from Paris.

"I shall support the French solution" for New Caledonia, he said.

The president has said he believes

Mr. Marcos ordered *We Forum* shut down because of articles questioning the president's war medals.

Mr. Marcos, a guerrilla fighter against the Japanese, was the most decorated Filipino soldier in World War II.

Mr. Salonga did not indicate

realities. Mr. Ukeiwe said, was a peaceful demonstration Saturday in the streets of Nouméa by more than 30,000 people, about one-fifth of the population, "to proclaim their attachment to France."

Scattered acts of violence continued. The authorities reported Monday that vandals had burned seven trucks and caused other damage Sunday night at a nickel-mining complex near the eastern coastal village of Thio.

While both supporters and opponents of independence agreed that Mr. Mitterrand's trip was connected mainly with his domestic political problems and contributed to important new elements to the search for a solution in New Caledonia, the visit seemed to trigger a fresh round of travels by rival leaders and politicians.

The head of the Kanak Socialist National Liberation Front, Jean-Marie Tjibaou, conferred Monday in Canberra with Prime Minister Bob Hawke and Foreign Minister Bill Hayden of Australia during a stopover on his way to France to promote the independence cause.

Mr. Ukeiwe announced he would leave Tuesday for France, with two ministers of his territorial government, to argue against independence.

Opposition Opposes Plan

Valéry Giscard d'Estaing, the former French president, said Monday that he opposed independence for New Caledonia, Reuters reported from Paris.

"I shall support the French solution" for New Caledonia, he said.

The president has said he believes

Mr. Marcos ordered *We Forum* shut down because of articles questioning the president's war medals.

Mr. Marcos, a guerrilla fighter against the Japanese, was the most decorated Filipino soldier in World War II.

Mr. Salonga did not indicate

India Says an Agent Involved in Spy Case Has Left the Country

By Sanjoy Hazarika
New York Times Service

NEW DELHI — The Indian government said Monday that an "agent of a foreign power" involved in a major spy scandal had left India.

The home affairs minister, S.R. Chavan, who made the announcement to both houses of Parliament, did not identify the diplomat or the foreign power involved. The French deputy minister attaché was recalled to Paris.

The French diplomat, Colonel Alain Bolley, has denied allegations that he was a spy or was connected to the U.S. Central Intelligence Agency, as a local newspaper had reported. French embassy officials have refused to confirm or deny the reports.

Investigations have yielded a large number of classified and highly sensitive documents, Mr. Chavan said.

"At the insistence of the government of India, the agency of a foreign power involved in this case has been withdrawn from our country," he said.

The Indian government announced that it was reviewing security procedures for handling of classified information. Sixteen persons, including 12 government officials, have been arrested in the passing of secret documents.

Indian newspapers reported that the documents dealt with many of India's defense plans and internal security arrangements and that the suspects may have even had access to "nuclear secrets," although it did not substantiate its report.

These were then copied and the originals returned to the offices, the sources said.

Sources said that Mr. Narain apparently made the payoffs, which in some cases were meager sums supplemented by bottles of liquor.

The Times of India speculated that the suspect may have even had access to "nuclear secrets," although it did not substantiate its report.

At least four of the arrested persons are members of the prime minister's secretariat. They include an aide to a former senior adviser, two clerks and a messenger.

A Middle Eastern diplomat who

asked not to be named described Colonel Bolley, as "very quiet, uncommunicative and almost rude."

He added: "He was often regarded as the odd man out in diplomatic circles."



Associated Press International
The president kissed his wife, Nancy, after the swearing-in.

Kyprianou Asks U.S. Aid

(Continued from Page 1)

am not committing myself to any date at this time," Mr. Denkash said.

After the talks broke off, Mr. Denkash and Mr. Kyprianou said that they had received contradictory information from the secretary-general on the purpose of the New York meeting.

Mr. Denkash insisted that Mr. Pérez de Cuellar had told him that the summit meeting had been arranged to sign a document drafted in November.

The document was the result of three months of indirect negotiations with the Greek Cypriots, listing 14 main points relating to establishing a federal republic in Cyprus that would comprise two zones.

The document, titled by the United Nations as both an "agreement" and a "preliminary draft agreement," did not provide details on issues such as the guarantee for a settlement and the withdrawal of the Turkish occupation troops.

"We have the assurances of the secretary-general that we would not change one comma, that the paper was there to be signed," Mr. Denkash said.

In an answer to critics of his efforts to trim welfare spending, Mr. Reagan said that there is a place for the government in "maternal compassion."

"But our fundamental goals must be to reduce dependency and upgrade the dignity of those who are infirm or disadvantaged," he said. "And here, a growing economy and support from family and community offer our best chance for a society where compassion is the way of life, where the old and infirm are cared for, the young and, yes, the unborn, protected, and the unfortunate looked after and made self-sufficient."

According to well-informed sources close to the talks, informal conversations among members of the two delegations revealed that the main differences between the Greek Cypriots and the Turkish Cypriots positions lie with the issues of the guarantee for a future Cyprus state, and the right of free movement, settlement, and property ownership.

The sources said that the issue of troop withdrawal appeared to be less of a problem and that there had been indications that Mr. Denkash was prepared to compromise on a withdrawal.

"The fatherhood of God presumes the brotherhood of man," Mr. Kyprianou has observed. "However, defined, this is a good guide for life's conduct."

Of the difficulties of dealing with the Russians, he has said, "We have to patiently, persistently, confidently keep talking with them."

Monday's inaugural ceremony was to have been held on an elabo-

rate stand on the West Front of the U.S. Capitol before 140,000 people. But the temperatures at noon Monday, the day of the swearing-in, was 7 degrees Fahrenheit (minus 14 degrees centigrade).

The cold prompted Mr. Reagan's decision Sunday night to move the ceremony into the Capitol rotunda and cancel outdoor inaugural activities for the first time since Andrew Jackson's inauguration in 1833. The ceremonies were televised nationally and carried abroad by satellite.

Inspirational phrases sounding the themes of his conservative philosophy, Mr. Reagan said that "from new freedom will spring new opportunities for growth, a more productive, fulfilled and united people, and a stronger America — an America that will lead the technological revolution, and also open its mind, heart, and soul to the treasures of literature, music and poetry, and the values of faith, courage, and love."

In an answer to critics of his efforts to trim welfare spending, Mr. Reagan said that there is a place for the government in "maternal compassion."

"But our fundamental goals must be to reduce dependency and upgrade the dignity of those who are infirm or disadvantaged," he said. "And here, a growing economy and support from family and community offer our best chance for a society where compassion is the way of life, where the old and infirm are cared for, the young and, yes, the unborn, protected, and the unfortunate looked after and made self-sufficient."

The president called for an America "in which all of us — white and black, rich and poor, young and old — will go forward together, arm in arm."

No other president has been sworn in at the Rotunda. In the early 19th century, before the oath-taking was moved outdoors, the House or Senate chamber was used for the ceremony.

On Monday evening, the Reagans were to visit all nine of the lavish inaugural balls being held in the city.

Mr. Denkash was to be the chief guest at the final ball.

WORLD BRIEFS

5 Dropped From Syrian Directorate

DAMASCUS (Reuters) — Five high-ranking Syrians have been dismissed from the country's governing Arab Ba'ath Socialist Party regional command, official media reported Monday. Among those dropped were Nasir ad-Din Nasir, the interior minister, and Ahmed Diab, the national security chief.

The 21-member regional directorate is often considered to be more powerful than the cabinet. No reason was given for the dismissals. The five retained their individual posts, at least for the time being.

The announcement was made at the end of a 16-day conference of the Ba'ath party, the first in five years. President Hafez al-Assad was re-elected secretary-general of the central committee.

Bomb Hurts Lebanon Political Figure

BEIRUT (AP) — As Israel dismantled its front line at the Awali River on Monday, radio reports said that a car bomb in the occupied port city of Sidon killed at least one person and wounded more than 30, including a political leader who was the apparent target.

The blast went off in front of the home of Mustafa Saad, leader of the Popular Naserrite Organization, Beirut radio reports said. His group is one of those expected to contest for control of Sidon after the Israeli withdrawal.

U.S. Court Upholds Juror's Exclusion

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Reagan and the Experts

The man who raised his hand Sunday to be sworn in again as president has defied many odds. He has defied age, an assassin's bullet, and the vicissitudes of office to win a second term by an unprecedented margin, drawn from almost all slices of the electorate. And he has prepared for the new term the same way he conducted the one just completed: by confidently defying the experts.

Ronald Reagan does not have a detailed grasp of the major issues of his presidency, including economic theory and nuclear strategy. But instead of firmly relying on authorities, he firmly ignores them. Hewing to his own path for four years, he has brought into view two great goals: steady economic growth without inflation and a broadly based agreement with the Soviet Union to restrain nuclear arms.

Should he achieve both in the term he now begins, his presidency will be a triumph.

Mr. Reagan has persistently rejected the warnings of mainstream economists that he must reduce the deficit, whether by raising taxes or cutting spending. Instead, he has cut taxes and further enlarged the deficit by spending more on the military. So far he has avoided being proved wrong. The American economy is doing fine because Mr. Reagan's tax cuts and defense spending have stimulated growth in traditional Keynesian fashion.

The dangers that the economists warned of are real, but their arrival has been unexpectedly delayed. Foreign capital has poured in to finance the deficit and the persisting strength of the dollar and weak demand from Europe have kept imported raw materials cheap, helping the Federal Reserve Board hold down inflation. These are short-term palliatives. Eventually, the United States must pay for the accumulated deficit and huge foreign borrow-

—THE NEW YORK TIMES.

Volunteers Against Famine

Something exciting is happening at the Peace Corps. A major recruitment effort was launched recently in response to food shortages in Africa, and the response has been dramatic. The agency usually receives about 160,000 inquiries a year from prospective volunteers; now, more than a thousand calls a day are coming in. This is especially impressive because only those with agricultural and related skills are being sought.

Peace Corps volunteers are now working in 34 African countries, but not in Ethiopia, whose Marxist government asked them to leave in 1977. Famine is a problem in many of these nations, and about half of the 2,500 volunteers on the continent are already working directly in agriculture. But that is not enough, and Washington has received requests for 600 additional volunteers to begin work this spring and summer. Loret Ruppe, the Peace Corps director, launched an appeal for volunteers of all ages with work experience or degrees in agriculture, forestry, biology, health nutrition, mechanics and water systems.

Many of those who have called Peace Corps

—THE WASHINGTON POST.

Other Opinion

No Love Lost on 'Star Wars'

The Americans have to reckon with the fact that Europeans, governments as well as people, are much less enamored of the Star Wars project. For if, for the sake of argument, the Strategic Defense Initiative can be made to work, it both seriously prejudices the plausibility of a British Trident system and leaves Europe exposed to low-flying cruise missiles.

And if it doesn't work, the costly attempt to build it leads to an arms race in a new dimension which finds Europe in the middle, vulnerable at a time of insecurity between the superpowers. In theory, the SDI is still an infant that can be strangled at birth. In practice, there is enough division of expert opinion about its prospects to encourage Mr. Reagan to nurture it. It will be a year or more before the U.S. feasibility reports are in. Perhaps that is when the talks will begin in earnest.

—The Guardian (London).

1945: A Duty to Remember

There is a strong case for recalling, periodically, soberly and somberly, the war that ended in 1945. That case does not rest on pride or nostalgia; nor on the obligation to honor the victims of war. Primarily, it rests on the duty to prevent obliteration of the past. This is a duty that the present owes to the future — as will be appreciated by those who, last year, read or re-read George Orwell's "1984."

Today many West Germans and Japanese

Rudolf Augstein
in Der Spiegel (Hamburg).

A few months remain to ensure that May 8, 1985, will not later be remembered as a day of embarrassment and bad taste. If a worthy ceremony cannot be built out of the gains of 40 years of cross-border cooperation, we had better refrain from holding any ceremony. A Day of Humility might not be unbecoming.

—NRC Handelsblad (Rotterdam).

FROM OUR JAN. 22 PAGES, 75 AND 50 YEARS AGO

1910: Somalians Attack Italian Vessel
ROME — A despatch from Mogadiscio, in Italian Somaliland, states that one of the "sambuchi" — sailing vessels manned by sixteen men and carrying a small gun — which the Italian Government keeps along the coast to prevent gun-running into Abyssinia by way of Somaliland, was attacked by Migiurtins the other day off Ras Hafun, not far from Cape Guardafui. The natives were shelled and made off. What casualties they sustained is not known. Nine were wounded on the Italian vessel. The cruiser Elba has left Massawa for Ras Hafun, in case of further trouble, and to bring the natives to order. This affair will doubtless force the Italian Government to take some decision regarding the building of a lighthouse and fort on Cape Guardafui.

1935: Tibetan Wise Men Seek a King
LONDON — Tibet, which has been kingless since the death last year of the Dalai Lama, its supreme ruler, is about to choose a new sovereign. According to Tibetan tradition, the spirit of the Dalai Lama is immortal: When the ruler dies it enters the body of an unknown baby born at precisely the same moment. Specially chosen "wise men" are now about to set out on the quest for this successor. They will visit more than 300 homes. Half a dozen babies will be taken to Lhasa, the capital, where giant prayer-wheels will be set in motion and the Grand Lamas will begin the eliminating process. The choice is ratified with reference to the stars, and the baby is then proclaimed future ruler of Tibet and is bathed in waters brought from the seven holy rivers of India.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, Chairman 1959-1981

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, Publisher

Executive Editor
Editor
Deputy Editor
Associate Editor

RENÉ BONDY
ALAIN LECLOUR
RICHARD G. MORGAN
STEPHEN D. CONAWAY
FRANÇOIS DESMAISONS
ROLF D. KRAEPELHL

Deputy Publisher
Associate Publisher
Director of Operations
Director of Circulation
Director of Advertising Sales

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1265. Telex: 612718 (Herald). Cable: Herald Paris.
Directeur de la publication: Walter N. Thayer.
Asia Headquarters, 24-34 Hennessy Rd., Hong Kong. Tel. 5-285618. Telex 263099.
Managing Dir. U.K.: Robin MacKellar, 63 Long Acre, London WC2. Tel. 836-4822. Telex 263099.
S.A.: 1,000,000 F. RCS Number 8.3.2.02120. Commission Paritaire No. 61337.
U.S. subscription \$284 per year. Second-class postage paid at Long Island City, N.Y. 11101.
© 1983, International Herald Tribune. All rights reserved.

When Government Forgets the Governed

By Robert H. Walker

This is the first of two articles.

WASHINGTON — When the student of American society contemplates the impact of eight years of Ronald Reagan's policies he may be frightened by something potentially more dangerous than East-West brinkmanship or tarnished cabinet appointments.

The first Reagan term has ended serenely, thanks to the president's attractive persona, the improving economy, and the residual social benefits of earlier administrations. But beneath the surface are noisy rumblings: the voices of the marginal farmer, of women, of organized labor, of blacks and other minorities. Will four more years of shrinking social programs, deregulation, and ideological individualism compress these pressures until they erupt? If this happens, should we be surprised?

For 200 years America has been moving toward a more effective participatory democracy. The purpose of this more responsive government, many felt, was to be the attack on extremes of wealth and poverty, the regulation of special interests, and the removal of conditions that put certain groups at a disadvantage.

This movement was under way before the nation was born and contributed to the revolt against England. It showed itself in the state and federal constitutional conventions, in the party battles of the early republic, in the advocacy of the workingman's interests, and in the first stirrings of public responsibility for the deviant, the delinquent and the destitute. The movement has not been universally successful: yet, in two centuries, it has acquired a cumulative force that would be difficult to reverse.

An early indication of the young republic's sense of direction was the erosion of the famous Jeffersonian antipathy toward strong central government. This antipathy was built on two main ingredients. One was the tradition of political skepticism identified with the English Whigs who mistrusted offices and parties, greeted any governmental edict with disbelief, and were ever ready to turn the rascals out. This attitude survives.

The other ingredient grew out of the historic abuse of power by autocratic rule. But with the realization of America's unprecedentedly representative political system, the fear of government-as-oppressor has gradually receded.

In revolutionary days, government meant king and Parliament. Government was something that would force citizens to house soldiers, suppress opposing voices, confiscate arms, and levy taxes arbitrarily.

Yet within two generations, governments in the United States were being asked to subsidize turnpikes

and canals, regulate currency and banking, prevent fleet laws and imprisonment for debt, and provide asylum for individuals not fully capable of caring for themselves, quite a shift from the first 10 amendments to the Constitution, which assume that the greatest threat to the individual is oppression by government.

As restrictions on voting began gradually to be lifted, so responsible

Will four more years of individualism and shrinking social programs cause society's disfavor to erupt?

individuals were elected to office, and as courts and legislatures showed a decent sensitivity to the commonweal, the image of government began a steady shift from Ogre to referee, from arbitrator to advocate. The concept of civil liberties was moving toward the concept of civil rights. Government, increasingly the federal government, were asked to restrain those who threatened the public interest and to rescue the victims of neglect or discrimination.

The slavery question contains



After Geneva: U.S. Must Speak in a Single Voice

By Paul C. Warnke

WASHINGTON — The weeks since Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko completed their discussions in Geneva have brought confirming evidence that, as both men noted, the road ahead is a long and difficult one. And it has also fanned fears that differences within the Reagan administration may prove to be as troublesome as differences between the two countries.

Self-congratulatory comments about the teamwork in Geneva already have given way to the customary cacophony of cabinet voices. Mr. Shultz told a television interviewer that both sides in the talks recognized a "relationship" among the three sets of arms negotiations (on intercontinental-range nuclear weapons, medium-range nuclear weapons and space weapons) to be set up in accordance with the Geneva formula.

Before his own more deferential press, Mr. Gromyko emphatically shared Mr. Shultz's understanding that space, strategic and medium-range weapons are to be approached "in their interrelation."

But Defense Secretary Caspar Weinberger contend that Mr. Gromyko was introducing "a new elec-

ment" and that testing of U.S. antisatellite weapons would proceed, as would the exploration of defensive weapons systems.

It may be that the differences between these three men are more rhetorical than real, but it should be recognized that Mr. Gromyko's assertion of an interrelationship is neither a Soviet invention nor "new element." Before, during and after the SALT-I negotiations it was the United States that insisted on dealing concurrently with the control of offensive and defensive weapons.

Indeed, in the late 1960s a major stumbling block to the initiation of talks on limiting strategic nuclear arms was Soviet insistence that defensive missiles were good because they destroyed weapons and not people, and that only offensive systems should be constrained. The U.S. side argued that any ballistic-missile defense could readily be overwhelmed by an increase in the number and deployment of such systems; they characterize their ballistic-missile defense plans as steps to an unpredictable population defense.

The argument for an admittedly leaky defense of missiles is as flawed today as it was when it was advanced by the Russians a decade and a half ago. Today, as then, the testing and deployment of such systems would be fatal to prospects of controlling and reducing strategic nuclear warheads.

Neither the Soviet Union nor the United States will cooperate in giving the other a plausible first-strike capa-

bility. But the reduction of missile warheads while defensive systems are being set in place would be seen as doing just that. The retaliatory strike that could be mounted after a pre-emptive attack could then be inadequate to penetrate a ballistic-missile defense. This fear would particularly concern the Soviet Union, with more than three-quarters of its strategic warheads in fixed sites that can be targeted by accurate U.S. missiles.

At Geneva both sides made major concessions. The Russians swallowed more than a year's worth of statements that it would never return to the bargaining table until U.S. Pershing-2s and cruise missiles were removed from Europe. And Mr. Shultz described the president's Strategic Defense Initiative, or "star wars" strategy, as being "fully consistent with the ABM treaty," and said that "no decisions to go beyond research have been made, nor could they be made for several years."

If the president continues to back Mr. Shultz, the two countries can implement their joint communiqué and "work out effective agreements aimed at preventing an arms race in space and terminating it on Earth." No defensive system against obsolete nuclear missiles will be available for testing or deployment in the next several years, or several decades. Advanced research can be justified to explore the frontiers of technology and ensure that the United States is not presented with a rude Soviet surprise in the future. Moreover, a ban on such research could never be part of a verifiable agreement.

The underlying question, currently unanswerable, is whether most Melanesians support the young independence activists who have provoked the present crisis.

If they do, a very unpleasant outcome is implied: for the Melanesians themselves, whose outlook as an independent nation is pretty bleak, for the island's French, and for the French Socialists. If, on the other hand, the activists prove significantly unrepresentative and violent, the Melanesians have sobered people rather than intoxicating them. The Pisan plan has a chance. A second vital question is whether the Mitterrand government can contain the reaction of the white settlers, even with a plan that preserves the essentials of French authority on the island.

The uprising in New Caledonia, a surviving outpost of the old colonial empire, found the Mitterrand government eager to make concessions to the independence movement, taking with great seriousness its claims to speak for all the Melanesians. This encouraged the most radical to take the lead; a bitter and increasingly violent backlash has developed in the white population. When the government belatedly attempted to restore order, after deaths in clashes between whites and Melanesians, the police shot dead the most radical independence activist and one of his aides, in circumstances that raise doubt about claims it was an accident.

The resulting shock to both sides, and to government and public in Paris, has been considerable. Will these events end, or accelerate, compromise? The plan put forward Jan. 7 by the government's special representative to the island, Edgard Pisani, calls for a vote on a heavily qualified independence. The land outside the predominantly white-populated capital, Nouméa, would be handed back to the tribal communities, as in 1954 under Pierre Mendès-France, but plunged immediately into a new war to put down insurrection in Algeria.

François Mitterrand was the minister in charge of Algeria in November 1954 when the insurrection

began. "Algeria is French," he said. "No government will ever yield on that fundamental principle." The result was a war that contributed heavily to the collapse of the Fourth Republic and to the return of power of General De Gaulle — who yielded that principle. The Socialists still have not got over the shock.

The uprising in New Caledonia, a surviving outpost of the old colonial empire, found the Mitterrand government eager to make concessions to the independence movement, taking with great seriousness its claims to speak for all the Melanesians. This encouraged the most radical to take the lead; a bitter and increasingly violent backlash has developed in the white population. When the government belatedly attempted to restore order, after deaths in clashes between whites and Melanesians, the police shot dead the most radical independence activist and one of his aides, in circumstances that raise doubt about claims it was an accident.

The resulting shock to both sides, and to government and public in Paris, has been considerable. Will these events end, or accelerate, compromise? The plan put forward Jan. 7 by the government's special representative to the island, Edgard Pisani, calls for a vote on a heavily qualified independence. The land outside the predominantly white-populated capital, Nouméa, would be handed back to the tribal communities, as in 1954 under Pierre Mendès-France, but plunged immediately into a new war to put down insurrection in Algeria.

Edgar Pisani was the minister in charge of Algeria in November 1954 when the insurrection

Reagan's Imperial Presidency

By Anthony Lewis

BOSTON — Ronald Reagan's greatest political accomplishment is implicit in the fact of his second inaugural. He has restored popular trust in the presidency, reversing a deep skepticism about the office that had set in with the disappointments and abuses of the Johnson and Nixon years.

But we have paid a price for the achievement. With trust has come a renewal of the old instinctual drive for more power in the White House. It is disguised by the geniality of Mr. Reagan, but it is there: the push for an imperial presidency.

What I mean by that phrase is power that can be exercised without the traditional restraints of the U.S. governmental system: without having to go to Congress for authority, without having to explain to the American public, without having to justify itself in law. In short, it is power without accountability.

President Reagan's Nicaraguan policy is an acute example. He decided to wage a terrorist war on Nicaragua. To carry it out, the Central Intelligence Agency organized and paid the "contras" in secret. Acting in secrecy is the neatest way to exercise power without accountability.

When the secret leaked and Congress became concerned, Mr. Reagan did all he could to keep Congress from playing its constitutional role. He asked Congress to approve funds for the contras without making clear the objective of the campaign, whether to pressure the Sandinistas to stop exporting revolution, as he sometimes said, or to overthrow their government. There can be no accountability in obscurity.

The latest turn in the story was the president's decision to boycott the World Court proceedings on Nicaragua's suit against the United States. This time the forum was a legal one, but once again the purpose was to avoid accountability.

The State Department, in announcing that the United States would withdraw from all participation in the case, offered various legal arguments — arguments that had got before the judges. But the real reason was evident. The Reagan administration feared that the court proceeding would bring out the facts of its aid to terrorist activities and focus attention on its violation of treaties.

Of course, international law is not a solid edifice, and the World Court has no ready way to enforce its decisions. But respect for the court and for international law gives a certain legitimacy to a country — or so U.S. governments used to think.

Just four years ago the American hostages in Iran were at last released. International law was one of the levers used by the United States in the effort to bring that terrible episode to an end. U.S. officials sued in the World Court, and deplored Iran's failure to participate and its defiance of the court's decision.

Even in the emergency circumstance of the Cuban missile crisis of 1962, President John F. Kennedy made a point of complying with all the legal niceties of treaty obligations. He thought respect for law would increase American influence in the world community.

Mr. Reagan and his legal advisers have made consistently clear how little regard they have for the law — in domestic affairs as in international. When federal appeals courts held unlawful the stripping of Social Security benefits from hundreds of thousands of disabled Americans, the administration made the astounding claim that it was not bound to follow the decisions in those judicial circuits where they were the law.

Law has been the balance wheel of the U.S. system, a prime reason for Americans' living under one Constitution for nearly 200 years. Law has been able to play that role only because presidents, most of them, have in the end respected courts. After all, Alexander Hamilton wrote in *The Federalist*, courts have "neither force nor will, but merely judgment."

When Mr. Reagan decided to pull out of the World Court proceedings on

Soviet Diplomats Expect A Limited Agreement At Security Conference

Reuters

STOCKHOLM — The Soviet Union expects a limited agreement to be reached at the Conference on European Security and Disarmament this year following a U.S. offer to conclude an accord on some issues ahead of schedule, Soviet diplomats said Monday.

The first stage of the conference is to last until November 1986, but NATO diplomats said the United States had offered to conclude an accord on less complex issues in time for the 10th anniversary of the Helsinki agreement on human rights Aug. 1, 1985.

Washington had indicated at the end of 1984 that it would be willing to conclude an agreement on the notification and observation of military maneuvers by August, but the alliance diplomats said that there had not been an official Soviet response.

The mandate of the 35-nation talks, part of the process set in motion by the 1975 Helsinki Final Act on Security and Cooperation in

Soviet to Give Western Group Computer Data

The Associated Press

LAXENBURG, Austria — The Soviet Union has agreed, for the first time, to give an organization in the West direct access to some of its computer data, a spokesman for the International Institute of Applied Systems Analysis announced Monday.

Jean-Pierre Ayrault, a spokesman for the research organization, said the agreement would give the institute access to bibliographical information from Soviet data banks on social and political science and economics.

There has been U.S. criticism about the availability of Western computer technology and information to Soviet citizens working at the research center, south of Vienna, which also employs scientists from the United States and 23 other nations.

The agreement, signed last week between the Institute of Scientific Information on Social Sciences of the Soviet Academy of Sciences and the center, is a "kind of an information breakthrough."

Europe, is to devise ways of preventing war from breaking out in Europe by accident or miscalculation.

The Soviet diplomats said Monday: "We have been told to expect an agreement in Stockholm this year. Perhaps not in the next session, but perhaps in the one after." They declined to give details.

The conference's fifth session begins Jan. 29. The sixth session will run from May 14 to July 5.

NATO diplomats said the U.S.-Soviet meeting in Geneva this month clearly had a positive influence on the Stockholm talks, although the U.S. offer was made before the two superpowers agreed in Geneva to resume arms control negotiations.

The head of the U.S. delegation to the Stockholm conference, James Goodby, expressed optimism in an interview with a Finnish newspaper last week that the next session would lay the ground for a possible outline agreement by the spring.

Earlier, President Ronald Reagan had said that the United States and its allies wanted a fair compromise at the Stockholm talks, but complained that Moscow had failed to meet them half way.

Last Thursday, Mr. Reagan accused the Soviet Union of indulging in propaganda at the Stockholm conference, which began in January 1984.

NATO diplomats said that rather than simply castigating Moscow, Mr. Reagan had wanted to warn the Kremlin that if a preliminary agreement was to be reached by August, the two sides must start working on it seriously immediately.

Some of Washington's NATO allies, however, appeared worried by the U.S. negotiating strategy.

Apart from an accord on exchanges of military information, the North Atlantic Treaty Organization is willing to negotiate on a key Soviet proposal for a declaration renouncing the use of force.

NATO regards all other Soviet demands, such as a ban on the first use of nuclear weapons, as unacceptable.

The heads of the 16 NATO delegations to the Stockholm conference are due to discuss their negotiating strategy for the next session at a meeting in Brussels on Thursday and Friday.

The Stockholm conference began at a low point in relations between the two superpowers and was stalled until almost the end of last year over negotiating procedures.



LIFT NEEDED — Two Germans ski by a U.S. Army tank that stalled in the snow after its fuel pumps froze. The incident occurred near Marburg, north of Frankfurt, while the tank was en route to take part in the Central Guardian exercises, which began Monday.

Bonn and Moscow Begin Trade Talks; West Germans Look to Political Thaw

Reuters

BONN — The Soviet Union and its biggest Western trading partner, West Germany, opened trade talks Monday in Bonn that Chancellor Helmut Kohl's government expects will lead to improved political and economic ties.

The two-day session of the Sovi-West German Joint Economic Commission follows a frosty period in relations between the two countries. It is the first ministerial-level contact between Bonn and Moscow since the agreement earlier this month between the United States and the Soviet Union to re-open arms control talks.

While West German industrial leaders see the talks leading to billions of dollars in business during the rest of the 1980s, Mr. Kohl's

Mr. Biermann said that parallel talks involving the Soviet delegation chief, Deputy Prime Minister Alexei K. Antonov, Mr. Kohl and Foreign Minister Hans-Die-

rich Genscher were "part of the political dialogue."

The Soviet-West German talks follow senior-level trade negotiations between the United States and the Soviet Union, the first in six years, that took place in Moscow two weeks ago.

Mr. Kohl's coalition, like previous West German governments, considers trade a stabilizing element in East-West relations and has pursued a business-as-usual policy with Moscow irrespective of fluctuations in the political climate.

Western trade analysts have predicted that the Soviet Union will be placing about 20 billion marks (\$6.3 billion) worth of major orders with Western companies in the near future, after a marked slowdown in major contracts last year.

Sir Robert Fraser, U.K. TV Executive, Dies

United Press International

LONDON — Sir Robert Fraser, 80, an important figure in the development of commercial television in Britain, died Sunday.

Sir Robert was 49 when he was appointed director-general of the newly formed Independent Television Authority in 1954. From then until his retirement in 1970, he directed the shaping, planning and development of independent televi-

sion in Britain to compete with the state-chartered British Broadcast Corp.

An Australian, Sir Robert came to England in his early 20s and studied at the London School of Economics before deciding to enter journalism.

In 1930, he became an editorial writer at the Daily Herald, which no longer exists, and remained there for nine years. He then began a long association with the govern-

ment in the Ministry of Informa-

Gillis W. Long, 61,
Louisiana Democrat

WASHINGTON (AP) — Repre-

sentative Gillis W. Long, a Louisi-

A Secretary Says She Lied To Aid Killers In Polish Case

United Press International

TORUN, Poland — Breaking into tears, a witness in the trial of four secret police officers accused in the murder of a pro-Solidarity priest admitted Monday giving false evidence and withholding information that implicated the killers.

Mrs. Barbara Story, 36, a secretary in the Interior Ministry, which controls the secret police, wept as she said in a court in Torun that she made an anonymous telephone call to Warsaw police after the kidnapping and murder of Father Jerry Popieluszko in an attempt to cover up the crime.

She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to Warsaw about 126 miles (204 kilometers) to

Yugoslavia. She said she called the police and pretended to have seen car used by three secret police officers to abduct the priest, near the town of Torun, when the vehicle had in fact been driven back to

Asian Refugees Ask What's After Camps

40,000 Who Fled Vietnam Are Trapped in Settlements With No Relief in Sight

By Iain Guest
International Herald Tribune

FANG ZHEN CAMP, Guangxi province, China — Yuan Wen Shun, 17, sat on the hard wooden bunk and explained, through an interpreter, how the fishing boat had sunk under him in the South China Sea after he fled Vietnam in August 1983.

Mr. Yuan is one of approximately 40,000 Vietnamese refugees who have been trapped for more than three years in camps throughout Southeast Asia, and for whom there no obvious relief.

He told his story impassively. Chinese fishermen, he said, had rescued him from the sea. Chinese authorities brought him to this holding center for refugees.

At this point, Mr. Yuan's story lost its thread. He was prompted. What comes next, he was asked? Mr. Yuan frowned and shook his head. "Any Western country, I've had my taste of socialism."

Then he stopped. He had spoken without conviction. He had been a refugee for more than a year and it was beginning to dawn on him that his bid for freedom had been brought to a halt in this isolated corner of China — just 50 miles (80 kilometers) away from the country he had fled.

He lapsed into a brooding silence. One official from the office of the United Nations High Commissioner for Refugees, who had accompanied reporters to Fang Zhen, conceded that Mr. Yuan's chances of moving from the camp were slim:



Iain Guest
Yuan Wen Shun

Mr. Yuan is not likely to be resettled because he has no relatives living in the West. This will count against him under U.S. refugee policy, which stresses reuniting families. So, too, could the fact that he had lived in Hanoi under a Communist regime.

Repatriation is unlikely, too. Mr. Yuan insisted he would never return to Vietnam, but even if he wished to, it is doubtful that the Vietnamese government would take him back. Since 1977, Hanoi has agreed to repatriate only 141 of the 1.4 million people who have

settled in China. Now he heads a tea-picking production team on the Qingyuan state farm, in Guangdong. "I'm used to city life, not farms," he said through an interpreter. "This is hard. I don't like it."

"The problem is more simple," responded Mrs. Ji. "They're lazy."

In an effort to ease their integration and minimize the disruption to Chinese agriculture, the refugees are allowed to grow tea and produce silk instead of rice, which is more labor-intensive. They also are exempted from production quotas.

Several refugees added that they had not been forced to take Chinese citizenship and that each family is allowed two children instead of the one child per family demanded by China's strict family planning law.

These privileges are seen by the Chinese as exceptionally generous, but they have been treated with indifference by the newcomers, who have produced 30,000 children since 1978, according to Mrs. Ji.

This represents a birth rate far in excess of the national target, and Chinese officials conceded that it had proved almost impossible to enforce family planning regulations among the refugees.

But apart from a calendar from Hong Kong advertising quartz watches, there were few signs of

personal possessions. The occupants said authorities in Vietnam had confiscated all their personal belongings, including furniture and electric fans, when they left in 1978.

Chinese officials accompanying the visitors pointed out that such accommodation was considerably better than that of most peasants in China. They also said there were no formal restrictions on the refugees leaving the farm, and no system of identity cards. This was confirmed by refugees, who said it was "quite simple" to take a bus or train to Hong Kong.

The second problem for China was money. According to Ji Hua, deputy director of the central government office for resettlement, the refugees have cost the equivalent of \$600 million since 1978. The office of the UN High Commissioner for Refugees has contributed \$45 million.

Mrs. Ji said it was originally hoped that the refugees would become self-sufficient in three years. But, she said, this had not happened, and half the refugees still required substantial subsidies.

Refugees and Chinese officials agreed that the newcomers had found it hard to adjust to life on the state farms. But they differed over the reasons why.

Tang Shang Qing operated a crane in Haiphong before he left for China. Now he heads a tea-picking production team on the Qingyuan state farm, in Guangdong. "I'm used to city life, not farms," he said through an interpreter. "This is hard. I don't like it."

"The problem is more simple," responded Mrs. Ji. "They're lazy."

In an effort to ease their integration and minimize the disruption to Chinese agriculture, the refugees are allowed to grow tea and produce silk instead of rice, which is more labor-intensive. They also are exempted from production quotas.

Several refugees added that they had not been forced to take Chinese citizenship and that each family is allowed two children instead of the one child per family demanded by China's strict family planning law.

These privileges are seen by the Chinese as exceptionally generous, but they have been treated with indifference by the newcomers, who have produced 30,000 children since 1978, according to Mrs. Ji.

This represents a birth rate far in excess of the national target, and Chinese officials conceded that it had proved almost impossible to enforce family planning regulations among the refugees.

In one refugee fishing settlement, near the southern port of Beihai in Guangxi Zhuang region,



Iain Guest
A Vietnamese boy refugee in Beihai, China.

Lyu Stai Mui, 51, proudly displayed eight of her 14 children to visitors. Six of the children sleep on two mattresses in one small room of the five-room apartment. Another six had married, and themselves had produced 13 children. They lived elsewhere in the settlement.

The husband, Loo Chong Khoi, 57, said he paid 10 yuan (\$5) a month in rent. He earned 1,300 yuan in 1983 as a member of the refugee fishing cooperative. Any repairs in the apartment, he said, were paid for by the local community.

According to Xu Lihua, director of refugee resettlement for Guangdong, several hundred refugees have slipped away from the farms and left for Hong Kong and Macao, often simply in order to have children. Some refugee women, she added, reportedly had sold baby girls — which are less highly prized than boys — in Macao for more than 2,000 Hong Kong dollars (\$250).

After Yuan Wen Shun was rescued at sea he was offered the chance to remain on a Chinese state farm. It is an option he would not have had in Thailand, Malaysia or Indonesia, but he quickly turned it down. Now he is preparing to apply for resettlement in the West.

Diplomats in Beijing says there is "a certain resentment" in China at having received only one-fifth of the funds allotted to Thailand by the office of the UN High Commissioner for Refugees since 1978.

Diplomats and UN officials held out little prospect of increased funds for China, given the pressing demands from refugee crises elsewhere. They expressed concern that the Chinese might lose patience and follow the example of other Southeast Asian countries by toughening their attitude toward those seeking asylum.

Such a development, an official said, would be "understandable but demoralizing" for refugee work in the region.

Border Tension Grows Between Thailand, Laos

Bangkok Fears Influence of Vietnam; Vientiane Alleges Incursion by Thais

By William Branigin
Washington Post Service

BANGKOK — A border dispute between Thailand and Laos has resulted in each country releasing a white paper denouncing the other as a security threat.

The Thai Foreign Ministry issued a 33-page document last week saying that Laos had become a "willing servant of Vietnam by accepting increasing numbers of Vietnamese settlers, in addition to those who had lived in Laos before the Communist takeover. The document did say that the settlers included former soldiers from the estimated 45,000 Vietnamese troops in Laos.

Some Western observers of Laotian affairs expressed skepticism about the Thai allegations.

MacAlister Brown, an American professor from Williams College in Massachusetts, visited Laos in October. He said he saw no evidence of a large Vietnamese influx.

"I don't know where they'd settle," he said. "Laos doesn't have the available land."

He said that Vietnamese settlement was no more effective as a means of controlling Laos than the stationing there of Vietnamese troops.

Mr. Brown also said that the Vietnamese idea of an Indochinese federation was a "nonstarter" and unnecessary to Vietnam's control of Laos and Cambodia.

Bomb Damages Buddhist Temple In Indonesia

The Associated Press

JAKARTA — A bomb exploded Monday at one of the world's largest Buddhist temples, causing extensive damage at the recently renovated 8th-century shrine, Indonesia's education minister said.

The minister, Nugroho Notosusanto, did not say if there were any casualties from the explosion at the Borobudur temple. But he said nine of the temple's bell-shaped towers, known as stupas, were damaged in the early morning explosion.

"The explosion was the work of terrorists who wanted to create instability in the nation," Mr. Notosusanto said. He said security guards at Borobudur, 374 miles (604 kilometers) from Jakarta, in the central Java town of Jogjakarta, are being questioned.

The temple was reopened in 1983 after 10 years of restoration work, to which 27 countries contributed \$6.5 million.



Iain Guest
A Vietnamese fisherman in Beihai, China.

IBERIA: THE AMERICAN HIGHWAY.



Iberia flies between Madrid and 27 North, Central and South American cities: Montreal, Toronto, Boston, New York, Miami, Chicago*, Los Angeles*, Dallas*, San Juan, Havana, Mexico City, Guatemala, Managua, San Jose, Panama, Santo Domingo, Caracas, Bogota, Quito, Guayaquil, Lima, Rio de Janeiro, Sao Paulo, Asuncion, Santiago, Montevideo and Buenos Aires.

Iberia also flies from Las Palmas to Buenos Aires and New York. And from Barcelona our special "Catalunya Intercontinental" service makes quick and easy connections with New York, Miami, Montreal, Mexico City, Caracas, Havana, Buenos Aires, Santiago, San Juan, San Jose, Lima, Bogota, Quito, Guayaquil, Rio de Janeiro, Montevideo, Asuncion, Sao Paulo, Santo Domingo, Panama, Guatemala, Managua, Asuncion, and Nairobi, Johannesburg, Lagos and Abidjan in Africa.

On your way to or from Santiago de Compostela, in the Northwest of Spain, our special "Galicia Intercontinental"

service makes smooth connections with New York, Caracas, Montreal and Mexico.

All on comfortable 747 and DC-10 wide bodies. Always with three classes to choose from: Grand Class, Preference or Economy. With an average of 3.3 flights every week.

That's why Iberia is the best way to cross the Atlantic, both ways, between 27 North, Central and South American cities and Spanish, European, African or Middle Eastern cities.

Because Iberia is the only airline in the world that links so many cities on the new continent with so many on the old. From the North to the South, Iberia's Highway bridges the Atlantic.

Iberia: Spain's Highway to the world.

IBERIA AIRLINES OF SPAIN

*Scheduled Charter Services.

The International Herald Tribune invites you to



Meet the New French Cabinet

February 26, 1985, Paris

Following the success of our 1982 conference, we are pleased to announce a one day briefing session focusing on "Modernization: Priority for the French Economy".

With the cooperation of the French Government, we have gathered together the key ministers most directly involved with policies affecting business activities in France.

The program will include presentations by:

Pierre Bérégovoy, Minister of Economy, Finance and Budget.

Edith Cresson, Minister of Industrial Redeployment and Foreign Trade.

Hubert Curien, Minister of Research and Technology.

Michel Delebarre, Minister of Labour, Employment and Vocational Training.

Roland Dumas*, Minister of External Relations.

*Mr. Dumas has accepted principle

An important aspect of the conference will be the extensive opportunities to engage in informal discussion with the current policy makers and with other business executives actively doing business with France.

On February 27, the Ministry of Industrial Redeployment and Foreign Trade is organizing full day visits, exclusively for conference attendees, to industrial plants including

the Aerospace plant in Toulouse. Full details will be sent to all participants registering for the conference. To register for this exceptional conference, please complete and return the registration form today.

Herald Tribune

CONFERENCE REGISTRATION FORM

Please return to: International Herald Tribune
Conference Office - 181, avenue Charles-de-Gaulle
92521 Neuilly Cedex, France. Or telephone: 7471686.
Or telex: 613595.

SURNAME _____

FIRST NAME _____

POSITION _____

COMPANY _____

ADDRESS _____

CITY/COUNTRY _____

TELEPHONE _____

TELEX _____

22-1-85

CONFERENCE LOCATION
The conference will be held at:
The Inter-Continental Hotel - 3, rue de Castiglione
75040 Paris Cedex 01 - Tel.: 260-3780 - Telex: 220114.
A block of rooms has been reserved for participants at preferential rates. For details please contact the hotel directly.

Participation fee: FF 2,950 or equivalent per person (plus VAT 18.6% for registrations from France). The fee includes cocktails, lunch and conference documentation. Included in the documentation will be a copy of the 1985 edition of the French Company Handbook, the only English language guide to French companies.

check enclosed please invoice.

Fees are payable in advance of the conference, and will be returned in full for any cancellation that is postmarked on or before February 15. Cancellations after that date will be charged the full fee.

Weber's Se
N
HEBE DOR
Manila Court
Petitioned for
Film Showing

ARTS / LEISURE

Weber's Sex-Appealing Photos

International Herald Tribune

NEW YORK — The photographer Bruce Weber does not have Norman Parkinson's aristocratic stance or Horst P. Horst's suave savoir faire. With a blue ban-

HEBE DORSEY

donna loosely tied around his hair, his ample bulk wrapped in flannel shirt and tired corduroys, and his scuffed boots he looks more like a longshoreman on his way to the docks.

Weber, who was among the 12

recent winners of awards given by the Council of Fashion Designers of America, is one of the hottest photographers in the world.

A sensitive and skilled artist, Weber is perceived by fashion designers as well as by Madison Avenue as a highly successful image maker. With Calvin Klein, he started a type of advertising that suggests as much as it shows.

Weber, 37, first entered the pub-

lic consciousness with ads for Klein underwear, worn by a athletic man, shot against a whitewashed buck- ground. It was followed by another for Klein's men's underwear, this time worn by girls. The same approach prevailed for Klein's perfume ads, which showed a young couple in bed under a sheet.

Then came Weber's campaigns for Ralph Lauren, which were totally different. Lauren, who made a fortune with sportswear, had a radically opposite image from Klein's. Based on the rural charm of the United States, this image evolved through the years into the horse- and-hound grandeur of English stately homes. Weber captured it and identified Lauren's customer with the epitome of aristocracy.

Weber comes from a small mining town in Pennsylvania. "My grandfather, my mother, my father, all loved photos," he said in a recent interview. "I grew up aware of photography. In the early '70s, I decided that I wanted to be a photographe. But then somebody told me that if I wanted to become a photographer, I had to come to Paris. In the '50s and the '60s, all the great photographers, like Penn and Avedon, were in Paris. Avedon sent me to study under Lisette Model, who trained Diana Arbus. She was terrific."

Back in New York, he came to fashion photography sort of by accident. "I used to work for the Soho News, for Annie Flanders, who now runs Details. She gave me jobs. I wasn't working for designers then. Calvin, whom I knew personally, one day said: 'Let's do some pictures.' We just went and did it."

Weber gives a lot of credit to a very supportive Klein. "Calvin always lets me do the kind of picture I like to do. His enthusiasm and courage help you a lot. He never wants to know what the picture is going to be like. He likes to be surprised and takes chances where nobody else does. People usually ask you, 'What exactly are you doing?' And they will even hand you a drawing. Not Calvin."

His next campaign for Klein, shot in Mexico, is even more indicative of the essence than the product. It will show a picture of a girl with a piece of cloth draped over her. "I told Calvin, 'Do we really

want to open another magazine and see another dress? This really tells more about your clothes than what she was wearing your clothes."

Weber says the sex appeal that his pictures for Klein exude stems from the fact that Klein "likes to see his men and women sexy."

All this could get out of hand were it not for Weber's tact. "Calvin is also a very good editor," he said. "He knows exactly where to stop."

With Lauren, Weber said, "the image was exactly the opposite, but that's sort of fun, too. I don't like to get hung up. I like doing a different outlook."

Claiming he is not a fashion photographe, Weber said he was more interested in allure than clothes.

"Why has fashion got to be so serious?" he said. "I wish I had a woman like Anna Magnani. I would have loved to do fashion on Elsa Maxwell."

He does not like to hang around with fashion people, he said. "I feel my life doesn't begin and end as a photographe. There's so much more out there to do" — for example, a book on prison athletes that is expected to be published next year.



Photograph by Weber. More interest in color men clothes

One of Bruce Weber's advertising photos for Calvin Klein.

Manila Court Petitioned for Film Showing

By Alex Graw

The Associated Press

MANILA — A Filipino film producer has petitioned the Supreme Court to order the showing of an award-winning Lino Brocka film that has been held up by a board of censors for containing scenes and music that the censors found subversive.

The film, "Bayan Ko" (My Country), uses footage from anti-government street demonstrations. It takes its title from a song that has become increasingly identified with the political opposition that intensified after the opposition leader, Benigno Aquino, was assassinated in August 1983.

The producer, Jose Antonio Gonzalez, said in the petition filed last week that the Board of Review for Motion Pictures and Television had withheld a permit for showings in the Philippines of his film, which was in last year's Cannes Film Festival and was named best picture by the British Film Institute.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

The film, co-produced by the French filmmaker Pierre Riesent, has been shown in private screenings in the Philippines but is banned from theaters.

The board said that the film's protest scenes "tend to undermine the faith and confidence of the people in their government" and that the song "urges oppressed people to rise against the authorities."

"Bayan Ko" chronicles the troubles of laborers trying to raise money for his pregnant wife's medical bills. The protagonist reneges on a promise not to join a striking union, robs his employers and dies in a shootout with police.

Thursdays

Properties & Foreign Investments

Statistics Index

AMEX prices	P.12	Borrowing reports	P.11
AMEX News/News P.12		Firms rate notes	P.12
NYSE prices	P.7	Gold markets	P.9
NYSE News/News P.9		Interest rates	P.9
Canadian stocks	P.14	International Commerce	P.7
Currency rates	P.10	Options	P.10
Commodities	P.10	DTC stock	P.10
Dividends	P.10	Other markets	P.14

TUESDAY, JANUARY 22, 1985

FUTURES AND OPTIONS

Treasury Accommodates Growing Long-Term Mart

By H.J. MAIDENBERG
International Herald Tribune

NEW YORK — A new element of uncertainty entered the bond futures market last Tuesday, when the Treasury Department said its bonds to be auctioned as part of the February refunding would no longer be subject to redemption after 25 years. Existing bonds are still callable after 25 years, the Treasury noted.

The move was taken to accommodate the growing market in long-term securities that are stripped of their coupons and sold to investors at deep discounts.

Many investors prefer taking a chance that these "cheap" bonds will appreciate toward maturity rather than clip taxable coupons twice a year. For these investors, the Treasury's call provision meant that they might not enjoy the anticipated price rise in the final five years of the bond's life.

"Now this uncertainty has been shifted to the Treasury bond futures market because traders there calculate prices based to a large extent on coupon value and time to maturity," said Norman E. Mains, first vice president and financial futures research director at Drexel Burnham Lambert Inc. in Chicago.

Many traders think that the 30-year bonds now outstanding may prove the cheapest to deliver against maturing futures, Mr. Mains said.

The delivery factor has become important to the bond futures market because it has become an integral part of the government securities business, not merely a hedging or speculative vehicle.

In December, for example, a record 26,383 bond futures, each with a face value of \$100,000, were canceled through the actual delivery of securities. This was 2.1 percent of the face value of all such bonds outstanding.

"Actually, each quarterly bond futures maturity in the past year has resulted in record deliveries," Mr. Mains said. "Treasury securities dealers find the futures delivery mechanism a convenient way to sell or acquire inventory."

At the same time, however, the record deliveries have put many bond futures speculators and short sellers (who sell bonds they do not own) in a precarious situation at each quarterly contract expiration.

These "naked" shorts often had to pay dearly for high-coupon and high-price deliverable bonds," Mr. Mains noted. "In December, for example, half the bonds delivered were the relatively high-price 10½s of 2012, with the rest divided between the 12s of 2013 and the 12½s of 2014.

"We think this helps explain why bond cash and futures prices have tended to jump at delivery times during the past year," he said.

But this situation could also benefit speculators who spread the Treasury bond and bill futures, said Alan C. Leventon, president of the financial futures unit of the Twenty-First Securities Corp. in New York.

"For various reasons, the yield curve between the short and long end of the Treasury securities market has been very positive the past year, which means yields on notes and bonds have been much higher than those on bills," Mr. Leventon said.

Last Friday, for example, March bond futures closed at 71 14-32s, which translates into an annual yield of 11.73 percent, while the same 90-day bill contract finished at 92.04, equivalent to a coupon yield of 8.24 percent.

Suppose, Mr. Leventon said, that by delivery time in March the yield curve remains more or less the same and the yields on both have risen, say, 100 basis points, or hundreds of a full percentage point. This would mean a bill futures price of 92.24 and a rate of 91.09. For the bonds this would mean a futures price of 65 31-32s and a yield of 12.73 percent.

Because each basis point move in bills is worth \$25 per contract with a face value of \$1 million, the decline of 100 basis points

(Continued on Page 13)

Currency Rates

Late interbank rates on Jan. 21, excluding fees.											
Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates of 2 P.M.											
	£	\$	D.M.	F.F.	HL	Gdr.	£P.	SEK	Yen		
Amsterdam	2.51	4.023	113.08	26.845*	5.184	—	5.62	134.28	161.25	—	
Brussels (ex)	71.475	20.03	—	—	—	—	22.926	—	—	—	
Frankfurt	3.168	—	—	32.64	1.629	—	4.92	118.92	136.49	—	
London (D)	1.125	3.569	—	—	—	—	4.027	71.42	35.996	285.10	
Milan	1.125	—	—	—	—	—	—	—	—	—	
New York (c)	—	—	26.845	—	—	—	—	—	—	—	
Paris	9.714	18.92	2.0307	4.985 *	2.7112	15.293	3.642	2.827	—	—	
Tokyo	25.277	28.628	80.19	—	13.07	78.97	40.64	95.32	—	—	
Zurich	2.442	—	3.0013	4.026 *	27.445	74.44	4.196	—	1.6712	—	
ECU	0.7008	0.8233	2.2229	0.81	1.3620	2.32	44.518	1.609	17.382	—	
1. SDR	0.374416	0.45885	0.9061	—	4.2916	4.2916	2.6249	1.7482	—	—	
Dollar Values	—	—	—	—	—	—	—	—	—	—	
1. Currency	Per	2. Currency	Per	3. Currency	Per	4. Currency	Per	5. Currency	Per	6. Currency	Per
Euro	1.00	British	1.00	Irish	1.00	Swiss	1.00	Belgian	1.00	French	1.00
0.8167 Australian	1.254	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
0.8155 American exchange	—	—	—	—	—	—	—	—	—	—	—
0.8155 Belgian fr. franc	4.339	3.269	Kuwaiti dinar	0.8269	0.812	Korean won	0.8265	—	—	—	—
0.8155 Canadian 5	—	0.816	Malta, malip	2.49	0.8057	Saudi, petro	0.8166	—	—	—	—
0.8155 Danish krona	11.325	0.8167	Mauritius rupee	0.9173	0.8166	Swed, krona	0.9173	—	—	—	—
0.8155 French franc	4.661	0.8265	Pkt, peso	0.8167	0.8166	Thailand baht	0.8167	—	—	—	—
0.8155 Italian lire	13.825	0.8265	Romanian leu	0.8167	0.8166	Tunisian dinar	0.8167	—	—	—	—
0.8155 Greek drachma	7.795	0.8265	Saudi riyal	0.8167	0.8166	U.S. dollar	0.8167	—	—	—	—
0.8155 Hong Kong \$	7.795	0.8265	—	—	—	—	—	—	—	—	—

(a) Commercial from; (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (d) Units of 1000 (e) Units of 10000 (f) Units of 100000

Sources: Banque de Bruxelles (Brussels); Banca Commerciale Italiana (Milan); Chemical Bank (New York); Banque Nationale de Paris (Paris); IMF (SDR); Banque du Canada; International d'Investissement (Paris, Lyon, Ghent). Other data from Reuters and AP.

2 Startups 1.1485 Irish £

Late interbank rates on Jan. 21, excluding fees.

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates of 2 P.M.

Interest Rates

Eurocurrency Deposits											
Jan. 21											
Dollar	D-Mark	British	French	Swedish	French	ECU	Swd	P.M.	1 Year		
1M.	8%	5%	5%	5%	5%	12%	10%	10%	9%	7%	7%
2M.	8%	5%	5%	5%	5%	10%	10%	9%	9%	8%	8%
3M.	8%	5%	5%	5%	5%	11%	12%	10%	9%	9%	9%
4M.	8%	5%	5%	5%	5%	11%	11%	11%	11%	9%	9%
IV.	9%	5%	5%	5%	5%	11%	11%	11%	11%	9%	9%
V.	9%	5%	5%	5%	5%	11%	11%	11%	11%	9%	9%

Interest Rates

Asian Dollar Rates											
1 mo.	2 mos.	3 mos.	6 mos.	1 year							
8%	8%	8%	8%	8%							
Source: Reuters.											

Key Money Rates

United States											
Close	Prev.	Britain	Close	Prev.	France	Close	Prev.	ECU	Swd	P.M.	1 Year
Discount Rate	8	8	Bank Bosa Rate	12	12	—	—	—	—	—	—
Federal Funds	8	8	Call Money	12%	12%	—	—	—	—	—	—
Prime Lending	10½%	9½%	91-day Treasury Bill	11½%	11½%	—	—	—	—	—	—
Broker Loan Rate	9½%	9½%	3-month Interbank	12½%	12½%	—	—	—	—	—	—
Com. Paper, 30-177 days	—	7½	Discount Rate	5	5	—	—	—	—	—	—
4-month Treasury Bills	—	7½	Call Money	5½	5½	—	—	—	—	—	—
CD's 30-59 days	—	7½	60-day Interbank	5½	5½	—	—	—	—	—	—
CD's 60-99 days	—	7½	—	—	—	—	—	—	—	—	—
West Germany	5.50	5.50	—	—	—	—	—	—	—	—	—
Overnight Rate	5.50	5.50	—	—	—	—	—	—	—	—	—
One Month Interbank	5.65	5.65	—	—	—	—	—	—	—	—	—
3-month Interbank	5.70	5.70	—	—	—	—	—	—	—	—	—
4-month Interbank	5.95	5.95	—	—	—	—	—	—	—	—	—
France	10½%	10½%	—	—	—	—	—	—	—	—	—
Intervention Rate	10½%	10½%	Hong Kong	301.55	307.35	—	—	—	—	—	—
Call Money	10½%	10½%	Luxembourg	307.15	—	—	—	—	—	—	—
One-month Interbank	10½%	10½%	Zurich	307.45	307.75	+ 0.25	—	—	—	—	—
3-month Interbank	10½%	10½%	London	307.45	307.75	+ 0.25	—	—	—	—	—
6-month Interbank	10½%	10½%	New York	307.45	307.75	+ 0.25	—	—	—	—	—
Gold Prices	A.M.	P.M.	CHF/oz	—	—	—	—	—	—	—	—
Source: Reuters.											

Land Investments in Houston, Texas, U.S.A. EXCELLENT OPPORTUNITIES

For information contact:
Lloyd J. Williams Realtors
5629 FM 1960 West, Suite 210
Houston, Tx. 77069
Tel: (713) 585-9399, Telex 387356

All offices in U.S. & Canada
Source: Reuters.

Contingent

Business/Finance

U.S. Stock Report, Page 7.

Page 9

Continental Says 1984 Loss Was \$1.09 Billion

Reserves

CHICAGO — Continental Illinois Corp., the parent company of the troubled Continental Illinois National Bank & Trust, reported Monday a net loss in 1984 of \$1.09 billion compared with a profit of \$108 million the year before.

The loss amounted to \$36.99 per share compared to a per-share profit of \$2.46 in 1983. The corporation reported a 44-percent increase in fourth-quarter profit to \$36.0 million, or 12 cents per share, from \$25.0 million for the like period in 1983.

Continental said that it had net loan losses of \$44 million in the fourth quarter, including a \$23-million chargeoff of sovereign risk loans, compared with \$103 million in the fourth quarter last year. Gross chargeoffs for the last 1984 quarter totaled \$60 million, with \$12 million in recoveries.

The fourth-quarter chargeoff's do not include loans sold to the Federal Deposit Insurance Co. as part of a \$4.5-billion bailout plan in which Continental shareholders surrendered 80 percent of their control to the federal government.

The bank nearly collapsed last spring when big depositors withdrew their funds because of worries about Continental's large number of problem loans.

Some institutions from Gulf countries like Kuwait and Bahrain came to New York because they were flush with dollars and wanted lucrative investments. Others, such as the Arab Bank, have branch networks and wanted to add the United States to the list so that they could transfer funds more easily.

The Arab banks in New York trade, arrange joint ventures, and seek deposits from corporations and institutions. That strategy produced a profit for the bank of \$4.5 million for the first nine months of 1984.

If Arab banks in New York sometimes find it difficult to win over Arab clients, Arab bankers still believe it should be possible to compete successfully by finding a niche.

"Why would an American company leave 15,000 banks and deal with an Arab bank? Or any foreign bank?" asked Fahruddin Khalil, senior executive vice president of the UBAF Arab American Bank, which was chartered in New York in 1976, long before any other Arab banks arrived. "You have to have a specialty. And that specialty is knowledge of the Middle East."

In another report, the Middle East Economic Survey, quoting a reliable OPEC source, said Monday that OPEC's production in January had dropped to 14 million barrels per day or less. The news said January output in Iraq was 1.1 million barrels per day and in Saudi Arabia 3.3 million.

But if Arab banks in New York sometimes find it difficult to win over Arab clients, Arab bankers still believe it should be possible to compete successfully by finding a niche.

"Why would an American company leave 15,000 banks and deal with an Arab bank? Or any foreign bank?" asked Fahruddin Khalil, senior executive vice president of the UBAF Arab American Bank, which was chartered in New York in 1976, long before any other Arab banks arrived. "You have to have a specialty. And that specialty is knowledge of the Middle East."

Even after the 1978 act

Herald Tribune

Published With The New York Times And The Washington Post

**ORDERING BY MAIL
FROM OUR BOOK DIVISION
IS AS EASY AS 1-2-3-4.**



**1. THE FRONT PAGE
1887-1980**

Reproductions of 129 front pages from the Trib's own archives: the sinking of the Titanic, the Dreyfus trial, Jack the Ripper, Lindbergh, the Windsors, Stalin, JFK — the news headlines and the major events of the past century. Hardcover, 28 x 38 cms. A distinctive personal or business gift.



**2. I.H.T. GUIDE TO
BUSINESS
TRAVEL & ENTERTAINMENT:
EUROPE**

Turn an ordinary business trip into a pleasant, more efficient journey. Covers Amsterdam, Brussels, Copenhagen, Düsseldorf, Frankfurt, Geneva, London, Lyon, Milan, Munich, Paris, Stockholm, Zurich. Written for the Trib by journalist Peter Graham. Hardcover edition, with orientation maps.



**3. FOOD LOVER'S GUIDE
TO PARIS**

By the Trib's restaurant critic Patricia Wells, a new and unique guide to the city famous for its food. A personal tour of hundreds of restaurants, cafés, bistros, pâtisseries, etc. and Paris' glorious outdoor markets. Includes lively critical commentary, anecdotes, history and local lore. A great gift idea. Paperback, over 300 pages with 140 evocative photographs.

FRENCH COMPANY HANDBOOK 1984

Published by International Business Development with the
Herald Tribune

4. FRENCH COMPANY HANDBOOK 1984

Now in the 1984 up-dated edition, 200 pages of indispensable information in English on 81 of the most important French companies. Basic facts on other major firms, information on the French economy and major sectors of activity. Profiles include detailed information on: management, major activities, sales breakdown, shareholders, subsidiaries, international activities, 1978-1982 financial performance, 1983-1984 developments, highlights and trends.

Indispensable for corporate, government and banking executives, industrial purchasers, institutional investors.

ACCOR - AEROSPATIALE - AIR FRANCE - AUTOMOBILE - ALUMINUM D'ENTREPRISES - AVIONS MARCEL DASSAULT-BREGUET AVIATION - BARQUE INDUS - BANQUE NATIONALE DE PARIS - BECHINSAUER - BIEDERMAN - BONGRAN - BSN - BULL - CAMPENON-BERNARD - CESE ALSTHOM - CHARBONNAGES DE LA MEUSE - CHATEL - CHEMIS FRANCAISES CIT ALCATEL - CLUB MEDITERRANEE - COGEMA - COPIA - COMPAGNIE DU MIDI - COMPAGNIE FRANCAISE DES PETROLEES - COMPAGNIE GENERALE D'ELECTRICITE - COMPAGNIE GENERALE DES EAUX - COMPAGNIE LA PENIN - CREDIT AGRICOLE - CREDIT COMMERCIAL DE FRANCE - CREDIT NATIONAL - CREDIT ZET - DANTY - DUMEZ - ELECTRONIQUE SERGE DASSAULT - ELF AQUITAINE - EYDA-BERTRAND FAURE - ESSOIL -

FIREILLE - FOUCROCERIE - FRAMA - FORME - FRANCAIS - GENERALE DES SAUTS - GROUPE VICTORIE - GTE - ENTREPOSE - METAL - LEGRAND - L'OSIR - LYONNAISE DES EAUX - MATRA - MER LIN GERIN - MICHELIN - MOET-HENNESSY - MUTUELLES UNIES-GROUPE DROULOT - PERNOD-RICARD - PEUGEOT - POLET - POMMERY - ROMANOFF - GUILLEMET - RENAULT - REVAUX - RHONE-POLLUC - ROUSSEL UCLAF - SACLOR - SANTE-GOBAIN - SANOFI - SCREG - SEB - SETA - SNEEMA - SOCIS - SOGENIE GENERALE D'ÉLECTRICITÉ - D'ENTREPRISES-SAINFORT & BRICE - SDERHO - SOMMER ALBERT - SPESA - TIGNONNES - TELEMECANIQUE - THOMSON GROUP - THOMSON-CSF - UNION DES ASSURANCES DE PARIS - USINOR - UTA - VALLOUREC - EYDA-BERTRAND FAURE - ESSOIL -

FRANCE - GUIDE TO BUSINESS TRAVEL & ENTERTAINMENT: EUROPE

Amsterdam Brussels Copenhagen Düsseldorf Frankfurt Geneva London Lyon Milan Munich Paris Stockholm Zurich

General London Lyon Milan Munich Paris Stockholm Zurich

Munich Berlin

Paris Berlin

London Berlin

Paris Berlin

Thailand, Laos
International Business

BUSINESS ROUNDUP

Midland Agrees to Lift Crocker Stake to 100%

Reuter

LONDON — Midland Bank PLC and Crocker National Corp. have signed a definitive agreement on the previously announced plan for Midland to increase its holding in Crocker to 100 percent, a Midland statement said Monday.

Shareholders of both companies must approve before the agreement \$224-million transaction becomes final. Midland currently holds 57 percent of Crocker.

Completion of the transaction is subject to certain conditions, including settlement of shareholder litigation pending in Delaware and California.

Under terms announced earlier, each Crocker common share will be exchanged for \$27 in face value of a new Crocker adjustable-rate preferred stock.

The dividend rate will be designed to create a market price level for the new stock of \$27. The stock will be callable at 105 percent of face value for the first five years,

then 103 percent for the following five years and at \$27 a share thereafter.

The new Crocker preferred stock will also be callable at \$27 if Midland is required to provide more than \$150 million to Crocker during any 12 consecutive months under the support agreement.

As announced, Midland has agreed to support Crocker with funds that may be needed to meet U.S. regulatory capital requirements, and also the dividend on the new Crocker preferred stock as long as it remains outstanding.

Earlier this year, Midland said that Crocker, hurt by a slump in the California agriculture and real estate markets, expected to report losses of \$215 million for the fourth quarter and of \$324 million for all of 1984. For all of 1983, Crocker posted a loss of \$10.4 million.

In trading Monday on the London Stock Exchange, Midland shares were unchanged at 347 pence apiece.

Nippon Kōkan Signs China Pact

The Associated Press

TOKYO — Nippon Kōkan K.K. said Monday that it had reached agreement in principle with China's Tianjin Shipbuilding Industry Corp. to establish a joint venture to produce machinery for offshore oil and gas wells in China.

A spokesman for the Japanese steel company said the agreement reached Jan. 11 calls for the establishment in April in Tianjin of China-NKK Offshore Engineering and Services Co., pending approval from the Chinese government.

He said the joint venture would manufacture offshore well equipment including jacks or steel frames, pumps and cranes. The company, capitalized at 50 million yen (\$197,628), will be owned 60 percent by the Chinese company, 28 percent by Nippon Kōkan and 12 percent by Marubeni Corp. of Japan.

Harvester Workers Return, Ending Their 2-Day Strike

The Associated Press

CHICAGO — More than 11,000 International Harvester workers will hold ratification meetings later this week after the company and the United Auto Workers reached a tentative agreement ending a two-day strike, officials have said.

A spokesman for the Japanese steel company said the agreement reached Jan. 11 calls for the establishment in April in Tianjin of China-NKK Offshore Engineering and Services Co., pending approval from the Chinese government.

He said the joint venture would manufacture offshore well equipment including jacks or steel frames, pumps and cranes. The company, capitalized at 50 million yen (\$197,628), will be owned 60 percent by the Chinese company, 28 percent by Nippon Kōkan and 12 percent by Marubeni Corp. of Japan.

Reorganization Set for Kronebanken

Reuters

KOPENHAGEN — The Danish central bank and Ministry of Industry are to undertake a reorganization of the troubled Kronebanken A/S, the central bank and ministry said Monday in a joint statement.

The move follows the withdrawal of Jyske Bank A/S from negotiations on a takeover of Kronebanken.

Mr. Laarman said the union indicated that significant progress had been made in significant areas since Friday's impasse.

Mr. Laarman said the union had agreed to discuss details of the tentative settlement until it was ratified, and added, "We believe this will be well-accepted, well-received and implemented" by the rank-and-file.

Mr. Laarman said the UAW's bargaining council would meet in Chicago on Wednesday to review the proposed agreement and then would pass it along to the rank and file.

billion kroner (\$114.5 million) for 1984, compared with pre-tax profits of 43.3 million kroner in 1983.

A takeover bid for Kronebanken by Den Danske Provinzialbanken A/S failed last week.

Since Kronebanken encountered financial difficulties last month, four leading Danish banks, including the central bank, have undertaken to guarantee its payments.

These guarantees are to remain in force pending the reconstruction of the bank, Mr. Hoffmeyer said.

Northern Telecom's Net Grows 47%

United Press International

TORONTO — Northern Telecom Ltd. reported Monday that its 1984 operating net was 47 percent higher than the year before, a record \$97.4 million. Canadian dollars (\$251.81 million) or 2.76 dollars per common share.

The company earned 227.1 million dollars, or 2.05 dollars per share, in the last three months of 1984.

Fourth quarter results for 1984 were also a record \$25.325 million higher for the year, at 4.379 billion dollars, compared with 3.3 billion dollars in 1983.

Edmund Fitzgerald, president and chief executive officer of the telecommunications giant, said orders were also at record levels in 1984.

China Plans Joint Venture In Biotech

The Associated Press

TOKYO — A U.S. manufacturer of biochemical products and a Canadian company have reached an agreement with two Chinese companies to establish the first biotechnology joint venture in China, it was announced here Monday.

The venture, to be set up in Zhengzhou, Henan Province, will produce biochemicals and reagents used in genetic engineering and molecular biological research, the statement said.

The new company, Sino-American Biotechnology Co., will have starting capital of \$1 million (about 254 million yen), it said.

Under an agreement reached last week, Promega Corp. of Madison, Wisconsin, will transfer technology worth \$250,000 to the joint venture.

The venture's other participants are the Luoyang Prefecture Biochemical Factory of Henan, China International Civil, Structural & International Construction Holdings Ltd., Edmund Nuttal Holdings Ltd. and Arab Contractors.

Promega also will train nine Chinese scientists at the company's U.S. facilities within a year, the statement said.

Promega's president, William Linton, said that the operations will expand in the next three years to include instruments for human and animal diagnostics research and agricultural applications of biotechnology.

Exports of coconut products last year earned \$801.9 million.

Industry sources said the government had been under pressure from the International Monetary Fund to dismantle sugar and coconut monopolies.

NOTICE OF REDEMPTION

Can.\$25,000,000

16 1/4% (until March 1, 1985 and 17% thereafter)
Guaranteed Notes due March 1, 1988

TD MORTGAGE CORPORATION

formerly

TORDOM CORPORATION

Pursuant to paragraph 5 of the above Notes, and in accordance with the provisions of the Fiduciary and Paying Agency Agreement dated March 1, 1982, the Corporation intends to redeem all of the above Notes on March 1, 1985 at a redemption price of 100% of the principal amount (Can.\$1,000 per certificate) plus interest to that date as represented by Coupon F3.

Payment of the redemption price will only be made upon presentation and surrender of the Note, together with the unmatured coupons numbered F4, F5 and F6 (due March 1, 1986, March 1, 1987 and March 1, 1988 respectively). At one of the Paying Agencies listed below, if any of the unmatured coupons is missing, the amount of the missing coupon(s) (Can.\$170 for each coupon) shall be deducted from the redemption price. The amount so deducted shall be paid against surrender of the relevant missing coupon(s).

All interest on the Notes shall cease from and after March 1, 1985, and any Notes presented after such date shall have no other right except to receive payment of the redemption price of such Note.

January 21, 1985

TD MORTGAGE CORPORATION

PAYING AGENCIES

THE TORONTO-DOMINION BANK
55 King Street West and Bay Street
Toronto, Ontario
MSK 1A2

THE TORONTO-DOMINION BANK TRUST COMPANY

42 Wall Street
New York, N.Y., U.S.A.
10005

MORGAN GUARANTY TRUST
COMPANY OF NEW YORK
Avenue des Arts 33
B-1040 Brussels

BANQUE GENERALE DU
LUXEMBOURG S.A.
14 rue Aldringen
Luxembourg

COMPANY NOTES

Amoco (U.K.) Ltd. has denied a published report that it plans to sell its Milford Haven refinery complex and gasoline stations in Britain. The Sunday Times had quoted oil industry sources as saying they expected announcement of such as sale in the near future. An Amoco spokesman said Monday that the article was purely speculative.

Bunzl PLC, a British maker of paper, packaging and filters, said Monday that it planned to raise £5.6 million (\$36 million) through a rights offer on the basis of one new share for every four held. The company said that it may use the proceeds for further acquisitions.

Australia and New Zealand Banking Group Ltd. says it expects a modest profit increase for the fiscal year ending Sept. 30. In 1984, the group's net profit increased to 269.04 million dollars.

ADVERTISEMENT

INTERNATIONAL FUNDS

Quotations Supplied by Funds Listed

21 January 1985

The net asset value quotations shown below are supplied by the Funds listed with the exception of some funds whose quoted are based on issue prices. The following investment symbols indicate frequency of quotations supplied by the INT:

(d) daily; (w) weekly; (b) bi-monthly; (r) quarterly; (i) irregularly.

AL-MAL MANAGEMENT (w) Al-Mal Trust, S.A.

BANK D'ITALIA BAER & CO. LTD. (d) Baer & Co.

BRITISH INDUSTRIES (d) British Industrial Growth Fund

BRITISH GOLD FUND (d) British Gold Fund

BRITISH GOLD CURRENCY (d) British Gold Currency Fund

BRITISH INDUSTRIAL FUND (d) British Industrial Fund

BRITISH WORLD LIFE FUND (d) British World Life Fund

BRITISH WORLD FUND (d) British World Fund

CAPITAL INTERNATIONAL (d) Capital International Fund

CREDIT SUISSE ISSUE PRICES (d) Credit Suisse Issue Prices

DIT INVESTMENT FFM (d) DIT Investment FFM

DIT INVESTMENT PFM (d) DIT Investment PFM

DIT INVESTMENT RPF (d) DIT Investment RPF

DIT INVESTMENT TPF (d) DIT Investment TPF

DIT INVESTMENT UDF (d) DIT Investment UDF

DIT INVESTMENT VDF (d) DIT Investment VDF

DIT INVESTMENT WDF (d) DIT Investment WDF

DIT INVESTMENT XDF (d) DIT Investment XDF

DIT INVESTMENT YDF (d) DIT Investment YDF

DIT INVESTMENT ZDF (d) DIT Investment ZDF

DIT INVESTMENT FOF (d) DIT Investment FOF

Renault Chairman Resigns; Besse Said to Be Successor

(Continued from Page 9)
on events leading to his resignation.

"It was a most inelegant manner of handling a man who has spent his entire career serving Renault — it was rough and might have been handled with a bit more grace," one executive commented.

Mr. Hanon first received word of governmental intentions by telephone early Saturday in New York, when an aide read him a story in the Paris daily *Le Matin* that said Mr. Besse had accepted Prime Minister Laurent Fabius's offer to take the job.

A senior French official conceded Monday that the manner in which Mr. Hanon was removed was "tough." But he said that it was necessary to act quickly and name a successor who has displayed "charisma."

The prime minister, with the backing of President François Mitterrand, has been seeking Mr. Hanon's removal for political and economic reasons. Government officials said that Mr. Fabius has been dissatisfied with Renault's record losses last year, by Mr. Hanon's lack of "toughness" in dealing with trade unions, by the company's pace in bringing out new models and by the concern's management.

Renault's losses last year have been reported to total about 9 billion francs (\$925.9 million), the largest loss ever by a French company. The company has not confirmed the figure.

Mr. Hanon was named to head the company in 1981, and he was reappointed for an indefinite term last May.

(Continued from Page 9)
ly and serve clients with dealings in America.

Assets typically range from \$15.6 million for the Doha Bank to about \$300 million for the Gulf Bank and the UBAF Bank at the top of the charts.

But not all the banks have done well. And some analysts believe that some of the institutions that have flooded into New York in the last few years will end up trickling out, the poorer for the experience.

They say that some banks sought the prestige of a New York address, while failing to appreciate the costs of operation and the vigor of the competition. Moreover, the banks expanded just as their bases in the Middle East were experiencing a decline in oil revenue, as well as declining trade with the United States.

"What are they going to do after the oil glut, and after the drop in oil

prices?" Asaad S. Assaad, president of the Abu Dhabi International Bank in Washington, asked rhetorically of Arab bankers. He said, "They've opened up offices for reasons of prestige, and they think some kind of interesting business will come along. They don't have any natural business reasons to work with large American multinationals."

But that officer, who refused to speak on the record because he often deals with Arab banks, said most of them would muddle through and find some business, although they would not be very profitable.

Peter J. Tanous, executive vice president of Bank Audi in New York said that some other Arab banks would "unquestionably" drop out of the New York market because of inefficient, diffuse strategies. So far however, none of the banks have left.

"They have to go to Jeddah or Bahrain for loan decisions which is

mystery — but a quandary what they're going to do" in New York, said a senior officer at a New York bank. "They've opened up offices for reasons of prestige, and they think some kind of interesting business will come along. They don't have any natural business reasons to work with large American multinationals."

Banking in New York can be different from banking in the Middle East. For an American in Syria or the Sudan, visiting a bank is a spectator sport. Large groups of men mill about, reaching into their cloaks to pull out wads of bills which often are thrust carelessly into drawers after ended papers have been signed.

Among the growing collection of Arab banks in New York, however, business is as pin-striped as anywhere else on Wall Street or Park Avenue. Moreover, most of the managers are Americans who know not a word of Arabic.

"It's an embarrassment, but we don't have one person on our staff who speaks Arabic," said Douglas A. Vilipique, senior vice president of the Commercial Bank of Kuwait and manager of its New York office.

"There's nothing that exotic about it," he added. "Maybe the décor in the office is a little Arabic. Basically, the bank has tried to avoid politics and religion."

Avoiding politics and religion is a particularly sensitive question because the banks would get in trouble in their home countries if, for example, they invested in Israeli companies. But they would get in trouble with the American authorities if they were believed to discriminate against Israel.

The problem seems not to have arisen much because most Arab banks aim only to serve Arabs and American corporations doing business in Arab countries.

Is there any reluctance to hire Jews?

"The answer is a very strong and clear confirmation that anybody who applies and qualifies will be hired, irrespective of religion," said Mr. Khalil of the UBAF Bank.

Move Alters Bond Market

(Continued from Page 9)
would equal \$2.375 (92.04 less 525).

On the bond futures, where each 32d of a point is worth \$31.25, a drop in price of 5 15/32 (71 14/32 minus 65 31/32) is 5 15/32 would be the equivalent of \$5,469. In market terms, this translates into a 2.3-to-1 bill-bond ratio (\$5,469 divided by \$2,375).

If spreads believe in this scenario, they could in round numbers sell short 23 March bill futures and buy 10 March bond futures." Mr. Leventen said. "If not, they could do the reverse with some changes in the ratio of bill to bond futures."

The initial cash margins on bill and bond futures vary with each brokerage house but have recently been about \$2,500 per contract.

Over-the-Counter

NASDAQ National Market Prices Jan. 21

	Sales in 100s	High	Low	Net 1PM.Chrs	Sales in 100s	High	Low	Net 1PM.Chrs	Sales in 100s	High	Low	Net 1PM.Chrs	Sales in 100s	High	Low	Net 1PM.Chrs	Sales in 100s	High	Low	Net 1PM.Chrs	Sales in 100s	High	Low	Net 1PM.Chrs
ABE	54	24	22	+2	230	24	22	+2	210	24	22	+2	200	24	22	+2	190	24	22	+2	180	24	22	+2
AFS	202	192	182	+10	180	202	192	+10	180	202	192	+10	180	202	192	+10	180	202	192	+10	180	202	192	+10
AGM	213	192	182	+10	180	213	192	+10	180	213	192	+10	180	213	192	+10	180	213	192	+10	180	213	192	+10
AGN	14	12	10	+2	10	14	12	+2	10	14	12	+2	10	14	12	+2	10	14	12	+2	10	14	12	+2
AGNCR	202	21	19	+10	10	202	21	+10	10	202	21	+10	10	202	21	+10	10	202	21	+10	10	202	21	+10
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2
AGNCR	12	10	8	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12	10	+2	8	12		

ART BUCHWALD

Presidential Franchises

WASHINGTON — Now that the selling of the presidential inauguration has proved so successful, can the selling of the presidency be far behind?

The inauguration committee copyrighted the inaugural logo and licensed all rights to souvenir companies as well as corporations, which could then advertise that they were the "official company" of the presidential inauguration.

Obviously the committee got the idea from the Los Angeles Olympics inaugurations do cost money, but my fear is that the people who organized the presidential festivities won't stop there. They may soon start selling the rights to the presidency.

White House Licensing Committee

"This is the Fruitecake Cereal Company. We'd like to become the official cereal company to the presidential inauguration."

"We're sorry, those rights have already been spoken for. Do you make any other products?"

"We're the largest cupcake manufacturer in America."

"Well, cupcakes haven't been spoken for yet. We can let you have the presidential seal of approval for a million dollars."

"Will the president do our commercials?"

"He can't do that. But we'll give you permission to hang a tasteful cupcake banner behind him in the East Room when he's holding his press conferences."

"We'll take it. Send the contracts to us right away."

"Thank you. . . . White House Licensing Committee."

"This is the president of the Real Instant Coffee Company. We wish to sign on as the official coffee supplier to the White House."

A Rare Tiffany Sale

The Associated Press

NEW YORK — Tiffany, one of Fifth Avenue's elite shops, kicked off its first storefront sale in 30 years Monday. On sale are discontinued items of every sort except diamond rings.

Place Your Classified Ad Quickly and Easily

In the
INTERNATIONAL HERALD TRIBUNE

By Phone Call your local IHT representative with your lead. You will be informed of the cost immediately, and once prepayment is made your ad will appear within 48 hours. Costs: the basic rate is \$9.00 per day + local taxes. There are 25 letters, signs and spaces in the fine line and 36 in the following lines. Minimum space is 2 lines. No abbreviations accepted. Credit Cards American Express, Diner's Club, Encarta, Master Card, Access and Visa.

HEAD OFFICE

Paris: For classified only:
747-46-00.

EUROPE

Amsterdam: 26-35.
Athens: 361-4377/360-3242.

Buenos Aires: 342-1899.

Copenhagen: 201-29440.

Dresden: 039-77-55.

Louvain: 29-58-54.

Lisbon: 67-72-25-25-24.

London: 01-834-4802.

Munich: 455-2911/455-3003.

Milan: 02-731443.

Norway: 03-84545.

Rome: 679-3437.

Stockholm: 08-104632.

Tel Aviv: 03-455-559.

Vienna: Contact Frankfurt.

UNITED STATES

New York: (212) 752-3890.

Sydney: 929-55-39.

Melbourne: 670-0223.

ANNOUNCEMENTS

MOVING

ALLIED
VAN LINES INT'L
OVER 1000 AGENTS
IN U.S.A. - CANADA
350 WORLD-WIDE
FREE ESTIMATES

PARIS Dusseldorf International
[01] 343 22 64
FRANKFURT Int'l Moving Services, U.M.C.
[069] 250404

MUNICH [089] 142244
LONDON [01] 953 3436
CAIRO All Van Lines Int'l
[20-2] 719901

USA All Van Lines Int'l Corp
[0101] 312-481-8100

REAL ESTATE CONSULTANTS

INTERIOR DESIGN IN THE SOUTH OF FRANCE
2 creative interior designers available for commercial & residential projects. **INTERIOR DESIGN**, Tel: 04 95 71 40.

REAL ESTATE FOR SALE

MONACO

MONTE CARLO Principality of Monaco

SELLING VERY EXCEPTIONAL APARTMENTS, Fatto

700 sqm. private residence, Residential area. Center of town, calm, living room, large terrace, 4 bedrooms, 3 baths, 1 room for staff with bath, large modern kitchen, 1 room for guests, large garage, large dressing room, garage. High class service.

EXCLUSIVE AGENCY INTERMEDIA I.R. 54

MC 29001 MONTE CARLO

Tel: 031 50 66 84

MOVING

DEMEXPORT

PARIS • LYON • MARSEILLE

Int'l moving by truck from major cities in France to all cities in the world

Tel free from France 16 029 24 62

PERSONALS

NIINA, housewife Paris Feb. 12, call us collect East Hampton, Long Island, NY 11963, phone collect, 516-581-2800. French, Tel: HK 747-07-29.

IN ASIA AND PACIFIC

contact our local distributor on

International Herald Tribune

1005 Tel Song Commercial Building 24-26, 1st fl., 5th fl., 5th fl., Hong Kong, Tel: HK 2867-26.

SUNS, N.Y. TIMES Bureau delivery, White Keyser, P.O.B. 21000 Brussels, Belgium.

MOVING

CONTINENT (overseas): Confidex to 300 cities worldwide. Call

Cal Charis 251 18 81 Paris - Contra-

ART BUCHWALD

Presidential Franchises

"What did you have in mind?" "We want to produce one TV commercial showing Margaret Thatcher drinking our coffee at a state dinner and expressing her surprise that it was an instant brand and did not come out of a coffee pot."

"I don't see any problem with that, but let me check it out with the White House chief and get back to you." White House Licensing Committee."

This is the Cartilage Sneaker Company. Has anyone put in a bid yet for the official president's running shoes?"

"No, it's still up for grabs."

"Good. All we ask in exchange is that the president and his wife wear our sneakers when they're running for the helicopter to take them to Camp David."

"I don't think we could promise that. The first lady has never publicly worn sneakers in her life. But we could get Vice President George Bush to wear them as he's flying off to attend a state funeral."

"We don't want Bush to wear the president and his wife, if you can't deliver, then forget it."

"Sorry about that. . . . White House Licensing Committee."

This is the Yakamura Film Company. We want to become the official film company to the White House."

"It will cost you."

"We don't care what it costs. But we have to be assured that the White House photographers will only use Yakamura film when they take pictures of the president."

"We can't do that because we have no control over the White House photographers. But what we can do for you is make sure that those photographers using Yakamura film will get the best places up front to shoot from while they're snapping away at the president."

"Put it down for the license."

"Will do. . . . White House Licensing Committee."

"I'm a lawyer representing the Fourth of July Souvenir Company. The Secret Service visited my client yesterday and informed him he couldn't put the American flag on his beer mugs any more."

"That's correct. We now hold the copyright on the Stars and Stripes. But for a small royalty your client can have exclusive beer mug rights to the American flag for the next four years."

By Carol Lawson
New York Times Service

PROVIDENCE, Rhode Island — When people in Rhode Island call their state's attorney general simply "the general," the term seems tailor-made for Arlene Violet. A former nun who in November became the first woman to be elected an attorney general in the United States, she has taken on the job with the zeal of a field marshal.

Since she took office Jan. 1, she has made headlines with her decision to retry Claus von Bülow on charges that he tried to murder his wife, a wealthy Manhattan socialite. In addition, Violet has taken steps to bring to trial long-pending cases involving accusations of political corruption, and she has been meeting with federal, state and local law enforcement officials to develop a coordinated strategy for dealing with the heavy concentration of organized crime and drug traffic in the state.

"I think it is important to set the tone when you are in office, and that is what I am attempting to do," said Violet, 41. During the years she spent as a public-interest lawyer, she said, she was known as "Arlie the Nun." Violet had to resign from her order, the Sisters of Mercy, to run for attorney general.

Her experience representing the disabled, environmentalists and consumers, she said, has shaped her attitude toward the job of attorney general. "I basically see the job as a public-interest job," she said. "My overarching perspective is that it's about time the criminal justice system was responsive to the needs of victims of crime. My priority is street crime."

Violet said she had "more than a theoretical understanding of life on the street and crime" after years of living "in every high-crime section of Rhode Island."

"I wanted to understand what was being experienced by people, particularly poor people. Living in those high-crime areas, which were high-victim areas as well, developed in me a commitment to do something about the criminal justice system."

Violet said one of her goals was to obtain speedy trials in "high-

trauma crimes," particularly assaults on the elderly and rapes. "If you don't try them right away, you can kiss them goodbye. Two years later, a woman is not interested in testifying in a rape trial."

Close behind her interest in street crime, she said, is organized crime. Providence has long been a principal center for organized crime in New England.

"Organized crime is coupled with political corruption. You can't have organized crime without payoffs to officials."

Although she intends to be aggressive in the area of organized crime, Violet says she is operating under no delusions: "You never get rid of organized crime, but you make them so uncomfortable that they move. I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want some other attorney general to have the headache for a while."

Violet's decision to retry von Bülow was announced on her fifth day in office. "I believe that if you make them so uncomfortable that they move, I tell people I am Machiavellian enough to want